

80.005
6786
[Crown Copyright Reserved.]

DEPARTMENT OF OVERSEAS TRADE.

REPORT
ON THE
ECONOMIC AND FINANCIAL
SITUATION
OF
EGYPT.

Dated June, 1925.

BY

MR. E. HOMAN MULOCK,

Commercial Secretary, The Residency, Cairo.



LONDON:

PUBLISHED BY HIS MAJESTY'S STATIONERY OFFICE

To be purchased directly from H.M. STATIONERY OFFICE at the following addresses
Adastral House, Kingsway, London, W.C. 2; 28, Abingdon Street, London, S.W. 1;
York Street, Manchester; 1, St. Andrew's Crescent, Cardiff;
or 120, George Street, Edinburgh;
or through any Bookseller.

1925.

Price 2s. 0d. Net.



& NEW ZEALAND LINES

MAIL, FREIGHT AND PASSENGER SERVICES.

P. & O. and B.I. Tickets interchangeable, also Tickets of P. & O., Orient, and New Zealand Shipping and Union Companies. All sailings subject to change with or without notice.

1. London & Marseilles to Bombay, Karachi & Persian Gulf.
2. London to Colombo, Madras and Calcutta.
3. London & Marseilles to Ceylon, China, Japan & Australia.
4. London & Marseilles to Port Sudan, East & South Africa.
5. London to Queensland.
6. London (cargo) & Southampton (passengers) to New Zealand & (by transhipment, passengers only) Australia (via Panama Canal).
7. United Kingdom (by any Atlantic line) via Vancouver or San Francisco to New Zealand, Australia and the South Sea Islands.
8. London (one class only, third class rates) to Australia via Cape of Good Hope,

ADDRESS!

Nos. 1, 2, 3, 4 & 5.—For Passage, P. & O. House (Manager, F. H. Grosvenor), 14-16, Cockspur St., S.W.1; Freight or General Business, P. & O. & B.I. Offices, 122, Leadenhall St., London, E.C.3.
 No. 6.—J. B. Westray & Co., Ltd., 138, Leadenhall Street, London, E.C.3, or P. & O. House (first floor,—General Passenger Agent, W. L. James) 14, Cockspur Street, S.W.1.
 No. 7.—Union S.S. Co. of New Zealand, Ltd., P. & O. House (first floor,—General Passenger Agent, W. L. James), 14, Cockspur Street, London, S.W.1, and for Vancouver Service, any office of Canadian Pacific Railway.
 No. 8.—P. & O. Service, Australia, via Cape, 32, Lime Street, E.C.3, or P. & O. House, as above.

*B.I. Agents, Gray, Davies & Co., 122, Leadenhall Street, London, E.C.3.
 Paris (All Routes)—Société Française P. & O., 41, Boulevard des Capucines.*

Telegrams
 ORIENTAL
 WESTERN
 LONDON

P&O HOUSE, 14-16 COCKSPUR STREET, LONDON, S.W.1

IMPERIAL OTTOMAN BANK

FOUNDED 1863.

CAPITAL	.....	£10,000,000
PAID-UP	.....	£5,000,000
RESERVE	.....	£1,250,000



LONDON OFFICE: 26, THROGMORTON STREET, E.C. 2.

Manager: E. W. H. BARRY.

Assistant Manager and Secretary: C. E. L. CORTHORN.

Assistant Manager and Deputy Secretary: R. S. C. PEARCE.

Assistant Manager: W. P. SHEPPARD.

PARIS: 7, RUE MEYERBEER.

MANCHESTER:

CONSTANTINOPLE:

MARSEILLES:

56-60, Cross Street. (Galata. Pera. Stamboul).

41-43, Rue Grignan.

The Bank has its own Branches or Agents in every important commercial town in the Near East.

Drafts and Telegraphic Transfers issued.

Letters of Credit granted.

Exchange, Insurance, and Merchandise operations effected.

IONIAN BANK, LIMITED

Established 1839

Capital Authorised, Subscribed and Paid-Up, £600,000
Reserve Funds, £190,000 **Total Resources, £6,536,314**

THE ONLY BRITISH BANK IN GREECE

HEAD OFFICE :
BASILDON HOUSE, MOORGATE, LONDON

GREECE . . . Central Office : ATHENS
14 Branches

EGYPT . . . Central Office : ALEXANDRIA
9 Sub-Branches.

TURKEY CONSTANTINOPLE
Galala, with Sub-Branch at Stamboul

Complete Banking Facilities for the Near East.

This Bank forms a link between America, the United Kingdom, Greece, Egypt, and Turkey, and offers special terms and facilities for every form of International Banking Service between the United States, Great Britain, and the Near East.

DEPARTMENT OF OVERSEAS TRADE.

REPORT
ON THE
ECONOMIC AND FINANCIAL
SITUATION
OF
EGYPT.

Dated June, 1925

BY
MR. E. HOMAN MULOCK,
Commercial Secretary, The Residency, Cairo.



LONDON:
PUBLISHED BY HIS MAJESTY'S STATIONERY OFFICE
To be purchased directly from H.M. STATIONERY OFFICE at the following addresses
Adastral House, Kingsway, London, W.C. 2; 28, Abingdon Street, London, S.W. 1;
York Street, Manchester; 1, St. Andrew's Crescent, Cardiff;
or 120, George Street, Edinburgh;
or through any Bookseller.

1925.
Price 2s. 0d. Net.

DEPARTMENT OF OVERSEAS TRADE.

COMMERCIAL REPRESENTATION ABROAD.

To foster British overseas trade, the Department has developed and controls the following Services of Commercial Intelligence Officers :—

1. IN THE EMPIRE.

The Trade Commissioner and Imperial Trade Correspondent Services.

At the present time there are 13 Trade Commissioners' offices. These are situated, four in Canada (Montreal, Toronto, Vancouver, Winnipeg); two in South Africa (Johannesburg, Cape Town); two in Australia (Melbourne, Sydney); two in India (Calcutta and Bombay—to cover also Ceylon); and one each in New Zealand (Wellington), British East Africa (Nairobi), and British West Indies (Trinidad).

The Trade Commissioners in the Dominions have the assistance of Imperial Trade correspondents at a number of important centres.

In various parts of the Empire in which at present there are no commissioners, there are correspondents with whom the Department deals direct.

2. IN FOREIGN COUNTRIES.

(a) The Commercial Diplomatic Service attached to the British Diplomatic Missions.

This service consists of between thirty and forty posts in all, and the officers of the service are stationed in all the more important foreign markets of the world. The members of the Commercial Diplomatic Service are styled "Commercial Counsellors" in the highest grade, and "Commercial Secretaries" in the three lower grades. They are members of the staff of the British Embassy or Legation in which they serve.

The Commercial Diplomatic Officer has general supervision over the commercial work of the consular offices in his area, and, with the co-operation of these two services, a complete network of Government commercial representatives is thrown over foreign countries.

The department is represented in Egypt by Mr. E. Homan Mulock, Commercial Secretary, The Residency, Cairo.

(b) The British Consular Service.

This service has been reorganized. Particular attention has been given to the commercial side of consular work.

Members of British firms are urged to call upon the Department's representative abroad when they visit an overseas country. It is also important that they should make a point of their representatives abroad keeping in close touch with the Department's officers.

A handbook giving fuller details of the overseas organization of the Department can be obtained on application at the Department of Overseas Trade, 35, Old Queen Street, S.W.1.

365608

NOTE.

It should be understood that the views expressed in annual reports are the views of the officers themselves, and are not necessarily in all respects the views of the Department.

TABLE OF CONTENTS.

	PAGE
Commercial Summary	5
 I.—ECONOMIC AND FINANCIAL SITUATION :—	
Financial Situation at the end of 1924	7
Cotton	7
Economic Crisis	9
Budget, 1925-26—	
Receipts	10
Expenditure	10
Economic and Financial Policy of Egyptian Government.	
Parliamentary Period—	
Tribute Loans	12
Reserve Fund Investments	12
Native Industrial Enterprise	13
Mercantile Marine	13
General Financial Policy	13
Post-Parliamentary Period—	
Co-operative Societies	14
Economic Council	15
Excise Duty on Cotton Piece Goods	15
Government Refinery	15
Railway Expenditure	15
General Finance	16
Banking	16
Stocks and Shares	16
 II.—TRADE :—	
Imports—	
British Trade	17
Foreign Competition	20
Textiles	21
Iron or Steel Goods and Machinery	28
Exports	34
Promotion of Trade and Industry—	
Commercial Legislation	35
 III.—INDUSTRY AND PRODUCTION :—	
Mining Industry	35
Petroleum	36
Labour	37
 IV.—TRANSPORT AND COMMUNICATIONS :—	
Shipping Competition	38
Local Motor Transport	39
 V.—SOCIAL QUESTIONS :—	
Cost of Living	40
Housing	40
Drug Traffic	40
Prohibition	41

LIST OF APPENDICES.

	PAGE.
I.—Trade Balances, 1922-24	42
II.—Summary of Value of Imports classified by Categories in 1923 and 1924	42
III.—Value of Imports from Principal Countries, 1923 and 1924	43
IV.—Fluctuations in British Imports in 1923 and 1924	44
V.—Cotton Piece Goods imported in 1923 and 1924 dutiable on basis of weight per square meter—	
(a) Value	46
(b) Quantity	47
VI.—Woollen Textiles imported in 1923 and 1924	48
VII.—Cotton Hosiery, Yarn and unenumerated Piece Goods imported in 1923 and 1924.. .. .	49
VIII.—Iron or Steel Manufactures imported in 1923 and 1924 ..	50
IX.—Imports of Coal, Tea and Wheat Flour in 1923 and 1924 ..	52
X.—Imports of Benzine, Kerosene and Mazout in 1923 and 1924	53
XI.—Summary of Value of Exports classified by Categories in 1923 and 1924	54
XII.—Exports of Raw Cotton in 1923 and 1924	54
XIII.—Value of Exports to Principal Countries, 1923 and 1924 ..	55
XIV.—Total Shipping entered and cleared in 1924.. .. .	56
XV.—Customs and Excise Duties, May, 1925	57
XVI.—Quotations of Egyptian Securities, May, 1924, and May, 1925	60

COMMERCIAL SUMMARY.

Area (June, 1925).—1,000,000 square kilometres.

Population (1917).—12,718,255.

Language (June, 1925).—Arabic. English, French, Greek and Italian are also in common use in commercial circles, and practically all the native firms who trade directly with the United Kingdom find means of coping with correspondence in English. Catalogues for native consumption should be in English and Arabic.

Monetary Unit (May, 1925).—£E. (Egyptian Pound) = 100 Piastres
tariff (P.) = 1,000 milliemes = £1 0s. 6½d. \$1 (tallari) = 20 Piastres
tariff = 4s. 1½d.

Rate of Exchange.—Pre-war : £ stg. = 97½ Piastres (par rate). Current (May, 1925). Average, 97½ Piastres = £ stg.

Index Numbers (February, 1925).—Wholesale Prices : Cairo, 161 ; Alexandria, 158. *Retail Prices : Cairo, 181 ; Alexandria, 183. Cost of Living, 171.

(* For Clerks, Artisans and Labourers.)

Principal Weights and Measures (June, 1925).—

(a) 1 cantar	=	100 rotls	=	93·0493 lbs.
1 rotl	=	144 dirhems	=	0·9905 lbs.
1 oke	=	400 „	=	2·75137 lbs.
1 heml	=	200 okes	=	550·74 lbs.
(b) 1 ardeb	=	96 kadahs	=	43·455 gallons or 5·444 bushels.
1 keila	=	8 „	=	3·63 gallons.
1 rob	=	4 „	=	1·815 „
1 kadah	=	$\frac{1}{96}$ ardeb	=	3·630 pints.
1 feddan	=	24 kirats	=	5024·16 sq. yds. or 1·038 acres.
(a) 1 cantar of unginned cotton	=		=	315 lbs.
1 „ „ ginned „	=		=	100 lbs.

(b) Approximate weight of an “ ardeb ” of various seeds :—

Wheat, 150 kilos. Barley, 120 kilos. Beans, 155 kilcs.
Maize, 140 kilos. Lentils (whole), 157 kilos. Lentils (split), 132 kilos.

Note (1).—

1 bale of steam-pressed cotton	..	..	7·75 cantars.
1 bale of hydraulically-pressed cotton	..	..	8·50 „
1 ardeb of cotton seed	..	..	267 lbs.
8½ ardebs of cotton seed	..	..	1 ton.
3 bales of steam-pressed cotton	..	..	1 ton 85 lbs.

Note (2).—In Egypt, liquids are often bought and sold by weight, and there are no specific Arabic liquid measures.

Total Imports (Year 1924).—£E. 50,736,918.

Principal Imports (Year 1924).—Coal, coke and patent fuel, £E. 1,740,436 ; cotton piece goods, £E. 8,798,665 ; cotton yarn, £E. 499,119 ; flour (wheat chiefly), £E. 2,314,775 iron and steel, manufactured, £E. 2,343,496 ; kerosene, £E. 1,035,269 ; manures, £E. 1,791,133 ; sacks (empty), £E. 599,428 ; silk textiles, £E. 1,001,058 ; soap, household, £E. 456,545 ; sugar (raw and refined), £E. 953,090 ; wood for building, £E. 1,751,285 ; woollen textiles, £E. 1,291,578.

Imports from (Year 1924)—

United Kingdom.—Carpets, coal, copper and brass sheets, cotton piece goods, iron and steel manufactures, machinery, soap (household), tinplate, woollen piece goods. (Total for all United Kingdom imports—£E.13,993,584.)

Italy.—Chiefly cotton piece goods and yarn, hosiery (cotton, silk and woollen), motor vehicles, rail locomotives, silk cloths, shawls, mixed textiles and yarn, and woollen textiles. (Total for all Italian imports—£E.5,230,772.)

France.—Chiefly flour, furniture, hosiery (all kinds), iron and steel manufactures, machinery, medicinal specialties, motor vehicles, silk cloths and mixed textiles, ready-made clothing (cotton and silk), and woollen textiles. (Total for all French imports—£E.4,688,718.)

Germany.—Chiefly hosiery (all kinds), iron and steel manufactures, dyes, locks and window fittings, machinery, wrapping paper, and woollen textiles. (Total for all German imports—£E.2,946,739.)

Belgium.—Chiefly chemical manures, cotton piece goods, iron and steel goods, plate and window glass. (Total for all Belgian imports—£E.1,898,534.)

U.S.A.—Chiefly flour, glucose, kerosene, machinery, mineral lubricating oils, and motor vehicles. (Total for all U.S.A. imports—£E.1,798,542.)

Total Exports (domestic) (Year 1924).—£E.65,733,935.

Principal Exports (Year 1924).—Cigarettes, £E.332,041; cotton, raw, £E.56,554,499; cotton-seed, £E.3,598,407; cotton-seed cake, £E.777,995; cotton-seed oil, £E.297,650; eggs, £E.566,613; hides and skins, untanned, £E.176,014; metallic ores, £E.211,155; onions, £E.651,911; phosphate, £E.119,215; rice, £E.528,010; sugar, refined, £E.461,303; wool, raw £E.114,661.

Exports to (Year 1924)—

United Kingdom.—Chiefly cotton (raw), cotton seed, cake and oil, eggs and onions. (Total for all exports to the United Kingdom, £E.31,955,625.)

France.—Chiefly cotton (raw), gold and silver bullion, benzine, onions and rice. (Total for all exports to France, £E.8,614,073.)

Germany.—Chiefly cotton (raw), cotton seed, cake and oil, onion and manganese ores. (Total for all exports to Germany, £E.3,971,656.)

Italy.—Chiefly cotton (raw), onions, hides and skins, eggs and phosphate. (Total for all exports to Italy, £E.4,069,082.)

U.S.A.—Chiefly cotton (raw), wool (raw), and onions. (Total for all exports to U.S.A., £E.7,085,911.)

Czechoslovakia, Spain and Switzerland, almost entirely cotton (raw).

Railway Mileage (1924).—Total, 1,609 miles, excluding auxiliary lines.

Mercantile Marine (1925).—Steamships, 27; sailing vessels, 205.

REPORT

ON THE

ECONOMIC AND FINANCIAL SITUATION OF EGYPT.

(*Dated June, 1925.*)

I.—THE ECONOMIC AND FINANCIAL SITUATION.

The following quotation from the Finance Committee's Note on the 1925-26 budget sums up concisely the financial situation of Egypt at the end of 1924 :—

" The figures for foreign trade for the calendar year 1924 show an excess of exports over imports of £E.16,467,000 as compared with an excess of £E.14,576,000 and £E.8,040,000 in 1923 and 1922 respectively (see Appenlix I.).

" Statistics of foreign trade are, of course, subject to correction on account of methods of valuation, invisible imports and exports, transactions on credit, etc. Without attempting to establish the real balance of trade for the year 1924, it is clear that there was a substantial addition to the financial resources of Egypt during that period.

" This is represented by an increase in Egypt's foreign investments. The Note Issue which stood at £E.36,400,000 on December 31, 1923, had increased to £E.42,000,000 on December 31st, 1924. Private bank deposits have grown, while the public deposits with the National Bank of Egypt increased during the year by £E.7,459,537, resulting in a corresponding increase in the Bank's short-term investments abroad. The investments consist not only of British and other foreign securities, but also purchases from abroad of Egyptian Public Debt, and the securities of Egyptian companies. The statistics of the Caisse de la Dette show that, whereas in the first six months of 1923 53 per cent. of the Public Debt coupons were presented for payment in Egypt, by the second half of 1924 this figure had increased to 57 per cent.

Cotton.—It is chiefly cotton which is responsible for the increased measure of the prosperity of Egypt indicated by the above statement. That the favourable trade balance in 1924 was greater than that of the two preceding years in spite of a considerable rise in imports, which in itself indicates an increase in the purchasing power of the country, was due to a still greater increase in exports, accounted for practically entirely by a rise of over £E.7,000,000 in the value of cotton exported during the calendar year 1924. As this rise in value was accompanied by a decrease in quantity of over 200,000 cantars, the resulting average price per cantar over the whole twelve months stood at \$38·96* for 1924, as compared with \$33·13 for 1923.

Since 1924 prices 100 per cent. higher than the average for that year have been attained, owing to the strong statistical position of Sakellarides resulting from extensive curtailment of the area under that variety in the 1924-25 season. One result of

* This represents the " talaro " or Mexican dollar.

high prices has been arrivals and exports on so large a scale that the carry over at the end of the current season is expected to be very small ; while the effect of the high premium enjoyed by Sakellarides over both Uppers and American cotton, on the cultivators, has been to make them revert to the sowing of Sakellarides on a scale that will, in all probability, more than redress the balance of last season's curtailment.

In any event, it is to be hoped that the area under, and yield of, Sakel in Lower Egypt will be sufficiently large in 1925-26 to remove from misguided merchants and cultivators the temptation to mix F.G.F. Sakel with Zagora or second-rate Sakel with best Pilion, in order to make up for shortages in tenderable cotton, which did so much harm to Egypt's reputation as a cotton-producing country during the current season, and which has caused such grave and widespread doubts as to the quality of the seed (whose adulteration was the natural consequence of mixing Sakel with other varieties before ginning) distributed for the 1925-26 crop.

Unfortunately for Egypt, the legislative measures for preventing the mixture in the fields, or even the hybridisation by too close proximity in cultivation, of any variety of short-staple cotton with Sakel, which should have been enacted in time to apply to the sowing of the 1925-26 crop, were not taken in hand until too late, and, at the moment of writing, are still under consideration by a technical committee of the Ministry of Agriculture. The broad lines of their proposals are to confine the cultivation of Sakel strictly to Lower Egypt, and of Zagora and Ashmouni to Upper Egypt, and to allow the planting of Pilion in Lower Egypt provided that it is nowhere in proximity to Sakel. Measures are also being investigated with the object of ensuring the purity of *tagawi*, or seed suitable for sowing, and to control its distribution, but it is to be feared that, however watertight and stringent these may prove to be, they will be inadequate in view of the insufficiency of native personnel qualified in every way to enforce them.

The fixation of zones for Sakel and other varieties has been advocated for years by European experts, but while it is unlikely that Zagora and Ashmouni have been planted at all in Lower Egypt, the absence of legislative measures governing the distribution of Sakellarides may yet be regretted as regards Upper Egypt, since the chances are that the small and large cultivator, in their anxiety to grow on as large a scale as possible the variety which has commanded such high prices this season, have planted Sakel in Upper Egypt as well.

In this connection it may be of interest to consider the ratio of cost of cultivation to the proceeds of sale in the case of the fellah in 1924. As the high prices for cotton attained during the year 1925, particularly in March, may not have benefited many of the small cultivators owing to their having contracted to sell their cotton earlier, it does not afford a fair criterion of the extent

to which the average fellah benefited, to compare prices subsequent to 1924 with the cost of cultivation. Taking, therefore, the average price of all cotton in 1924, viz., \$38·96, as a very conservative estimate, and multiplying this by three as a fair estimate of yield in cantars per feddan of Sakel, and by four in the case of Uppers, the resulting sum represents a handsome profit over the cost in 1924 of cultivating one feddan of cotton (after rice), assuming that the cultivator has to hire oxen and all the labour required for each stage or process. The cost of cultivation under these conditions, which do not by any means apply to all cultivators, is estimated by experts at P649½ or \$32·47 per feddan in 1924, as against P1,658 or \$82·90 in 1920. The very great difference between these two figures, and the small proportion borne by cost of cultivation in 1924 to the proceeds thereof, are evidence of the fallacy of the complaint so often heard during the year under review of the existence of an economic crisis. So far as the fellah is concerned, it must be borne in mind that, as he is able to pay his taxes out of, and feed himself on his other crops, any profit he makes out of cotton is net profit. It is estimated that as regards Sakel \$40 a cantar is a remunerative price, and although the average price during 1924 was slightly below this profitable minimum, Sakel contracts rose during the first four months of the current season (the period during which the fellah usually reaps the reward of his labours) from \$40·38 on September 1st to \$58·60 on December 31st, 1924.

The "Economic Crisis."—As the fellah constitutes so large a proportion of the population, and as the landowners' profits from cotton were so very much larger than those of the fellah, the so-called economic crisis in 1924 was presumably limited to the minority comprising such of the business and industrial community as are not directly interested in cotton. Assuming that it was, it is difficult to reconcile such a condition with a 10 per cent. increase in imports ; with the amount of money circulating as the result of the export during the year of more than £E56,000,000 worth of cotton ; with the extensive building of new private houses, huge blocks of flats and shops, showrooms and offices (which cannot be solely attributable to the fall in the cost of building materials) ; with the frequent transactions in desirable house property and vacant land, both of which have greatly appreciated in value owing to the building craze ; with the increase in the number of private motor-cars and commercial motor vehicles of all kinds, both in Cairo and Alexandria ; and, *inter alia*, with the appreciation in the prices of stocks and shares of all kinds.

Budget, 1925-26.—To these important factors in the prosperous economic situation of Egypt should be added the highly satisfactory condition of Government finance, indicated by an estimated surplus of nearly £E.6,000,000 on March 31st, 1925, and a corresponding increase in the Reserve Fund, which on that date was roughly computed at £E.24,000,000. In addition

to this, two special reserves have been created, viz., £E.1,037,860 as a " Reserve relating to the Capital Account of the Egyptian State Railways, Telegraphs and Telephones," and £E.512,462 relating to the Ottoman Debt.

Receipts for 1925-26 are estimated at £E.36,870,000 and expenditure at £E.36,288,266, indicating a surplus of £E.581,734. Receipts and expenditure in 1925-26 are respectively £E.2,470,000 and £E.2,012,783 higher than in 1924-25.

Receipts.—The increase in receipts is due chiefly to estimated increases in revenue from railways, £E.785,000 ; interest on funds, £E.305,000 ; cotton tax, £E.250,000 ; customs, £E.140,000 ; telephones, £E.105,000 ; and the above-mentioned special reserve relating to the railways.

Railways.—The last-mentioned item represents that portion of the surplus of the year 1924-25 which, instead of being paid in to swell the total of the General Reserve Fund, has been specially earmarked and carried forward to the 1925-26 budget to meet the current year's instalment of abnormal expenditure on railway renewals (mentioned elsewhere in this Report). The estimate of the normal gross revenue from the railways, viz., £E.7,000,000, is based on the increased returns for the last months of 1924-25, with due allowance made for the reduction in passenger fares, viz., 60 to 50 per cent. above pre-war rates for second class, and 80 to 50 per cent. above pre-war level for third class, which came into force on December 1st, 1924. Further reductions in both passenger fares and freight rates are contemplated, but these cannot come into force until November, 1925, at the earliest.

Telephones.—The rise in revenue is partly based on the increase in the number of subscribers that is expected to take place when the first automatic exchange, consisting of 2,000 lines, is installed in Egypt, and an additional 6,000-line manual exchange is completed.

Expenditure.—The most important items in the increase in total expenditure are : railways, £E.1,067,000 ; education, £E.376,000 ; public debt, £E.300,000 ; and educational missions, £E.196,000.

The increase in expenditure on the railways consists of a rise of £E.800,000 in general expenses and of £E.267,000 in new works. In the case of the public debt the sum quoted is for amortization, in accordance with a decision of the Egyptian Parliament in 1924, that all proceeds from the sale of Government land are to be used for this purpose. This sum is therefore offset by the item " Sale of lands " under extraordinary receipts in the current year's budget.

Government Salaries.—In view of the strictures passed by the Egyptian Parliament in 1924 on the excessive cost of administration, and the high proportion borne by official salaries, wages and allowances, etc., to total expenditure, viz., 38·75 per cent. in 1924-25, it is of interest to note that, although total expenditure has increased, the proportion in question has fallen to 35·4 per cent. in 1925-26

New Works.—The total credit for new works in the current year's budget is £E.4,394,121, an increase of £E.213,500 over the corresponding item in 1924-25. The following features of the 1925-26 programme are of interest :—

Irrigation.—Twenty-five per cent. of the total for new works is for normal annual expenditure on irrigation, with the exception of credits of £E.10,000 and £E.40,000 respectively for preliminary study of the projects for the Gebel Aulia Dam (on the White Nile, south of Khartoum) and the Nag Hamadi barrage (on the Nile, south of Cairo). The object of the former is the storage of the same quantity of water as that held up by the Aswan Dam, viz., 2½ milliards of cubic metres, in order to increase the supply available for the whole of Egypt. The latter will ensure the irrigation of some 580,000 feddans of land which, when the flood is low, are either left fallow or insufficiently watered.*

Communications.—The extension of *Suez Harbour* accounts for £E.157,750 in the current year's budget as against £E.201,000 last year, while a further £E.58,000 is estimated as being necessary to complete the existing scheme, which up to 31st March, 1925, is estimated to have cost £E.930,000.

Roads and Bridges, absorb nearly £E.242,000, of which 50 per cent. is for the completion of the Embabeh railway and road bridge.

Railways.—In addition to the abnormal renewals programme £E.80,000 is required for the new terminus at Alexandria, which it is hoped will be completed by November, 1925, and for the locomotive shed in the immediate neighbourhood, and £E.11,000 for a transmission scheme for supply of power to both. There is also a credit for £E.25,000 for a new locomotive shed and yard at Tantah; £E.7,500 for new weighbridges at 30 stations, and £E.25,000 for relaying and improving auxiliary railways.

Telephones.—The total credit under this heading is £E.182,300, which includes £E.38,500 for automatic exchange equipment, £E.32,500 for new telephone instruments, and £E.21,000 each for telephone trunks and additional manual exchange equipment.

Education.—In spite of the lengthy and frequent debates in the Egyptian Chamber on costly and ambitious schemes for the introduction of free but compulsory elementary education for the whole of Egypt, only £E.150,000 out of a total of £E.403,630 for Education New Works is for the creation of schools for this purpose. Of the remainder £E.40,000 is for the State University, and £E.67,000 for the revision of the curriculum in primary and secondary schools. Of this latter sum, £E.10,800 is for the purchase of cinematographic apparatus for educational purposes in 85 mixed schools, and £E.4,760 for the teaching of typewriting

* Since the above was written, the Council of Ministers has decided to open a credit of £E.3,000,000, to be divided into four annual instalments, for the construction of the Gebel Aulia Dam, and a further credit of £E.2,500,000 for the construction of the barrage at Nag Hamadi. No mention is made of the dates on which these undertakings are to begin.

and shorthand in one secondary school. The cost of education in Egypt is only 5·8 per cent. of the total expenditure in 1925-26, as against 5 per cent. in 1924-25, while the proportion of illiteracy among the native population was at the last census alleged to be nearly 94 per cent. This figure is considered to be absurd, as it would leave only some 700,000 literates in the country, whereas according to an authoritative estimate there cannot be far short of that number in Cairo and Alexandria alone.

Economic and Financial Policy of the Egyptian Government.

A review of the economic and financial developments during the period covered by this report, viz., the financial year 1924-25 and the first two months of 1925-26 falls naturally into two periods, viz., Parliamentary and Post-Parliamentary.

Parliamentary Period.—The economic and financial policy of the first Egyptian Parliament, which sat from March 15th till July 10th, 1924, may be summed up in the words :—" Economic independence at all costs."

(1) *Tribute Loans.*—The outstanding instance of this was afforded by the Egyptian Government's repudiation, approved by the Chamber on July 9th, of payment, after July 12th, of the coupons of the Turkish Loans secured on the Egyptian Tribute. At the moment of writing, the rightness or wrongness of the Egyptian Government's contention, that as from November 5th, 1914, Egypt was no longer responsible for these payments, is *sub judice*, in view of the action taken before the Mixed Courts by the bondholders in February and March, 1925, against the Egyptian Government.

(2) *Reserve Fund Investments.*—The question as to the form in which the Reserve Fund should be kept came up during three separate debates, the general trend of which was that Egyptian Government Debt should be utilized to a far greater extent than previously, for investment of the Reserve Fund. The Finance Committee, in their report on the 1924-25 budget, expressed the view that only three to four millions should be kept in cash, and that of the remainder of the £E.18,000,000 at which the Reserve Fund stood on March 31st, 1924, half should be invested in Egyptian Government Debt and half in foreign securities. On that date £E.8,654,244 was deposited in cash in various banks, while the balance was invested in British and Indian Government securities of a nominal value of £3,839,681 and in Egyptian Government Debt to the extent of £E.6,630,460, leaving a small remainder in local industrials and Turkish loans. Finally, however, as the result of discussion at the third debate, the Chamber tacitly authorized the Government to use their own discretion as to the dates on which purchases of Egyptian Government Debt, up to half of the balance that is to be kept in the form of securities should be made.

It would appear from the determination of the Chamber and the Government to minimise their dependence on foreign securities, that they failed to realize the importance of the fact, pointed out by one private member, that the market price of their own Government securities would depreciate considerably in the event of the necessity arising for immediate realization on a large scale of Reserve Fund holdings therein. It is, however, possible, that any qualms the Chamber may have felt were forestalled and lulled by the statement of the Minister of Finance that the Government has no securities susceptible of depreciation.

(3) *Trade and Industry.*

(a) *Native Industrial Enterprise.*—In pursuance of the general idea the Finance Committee advised the Government to encourage national industry by giving preference in the matter of purchases to national agricultural and industrial products, and to local material, in Public Works enterprises provided they came up to the required standard of quality. The question of price was apparently immaterial. On another occasion the representative of the Ministry of Finance expressed the hope that Egyptian capital and enterprise would now be devoted to the exploitation by Egyptian companies of petroleum, mines and quarries, with a view to meeting local European competition. (It may be of interest to note, in parenthesis, that the solitary Egyptian Oil Company which is drilling for petroleum produced only 528 metric tons in 1924.)

(b) *Mercantile Marine.*—The opinion expressed by a private member that the moment was ripe (June 22nd) for the creation of a national mercantile marine, by buying ships with the surplus of £E.500,000 in the budget of the Ministry of Communications, was endorsed by the Minister concerned as constituting the Government's dearest wish. The *raison d'être* of an Egyptian commercial fleet is twofold, firstly, the transport from abroad of all material purchased by the Egyptian Government (thereby saving the expense of freight paid to European shipping companies) and the export of eggs, onions, cereals and Egyptian produce other than cotton; secondly, to provide a training school for Egyptian officers, engineers and crews. These Egyptian Government owned vessels would also be used for the transport of pilgrims, thereby avoiding the existing necessity to arrange for this by contract with an European shipping company. However, in spite of the fact that this project appears to have aroused universal enthusiasm among Egyptians, there is no provision in the budget of 1925-26 for the formation even of a nucleus of Egypt's contemplated mercantile marine.

General Financial Policy.—It is a matter of considerable difficulty to describe exactly what was the policy of the Egyptian Government and Parliament in matters of finance and economics of a purely domestic nature, *i.e.*, those in which European interests were not solely or chiefly affected. For instance, the Government

on the one hand insisted on the Reserve Fund being kept intact, but on the other agreed to an unspecified amount for Government purchase of cotton, and cash for a loan of a quarter of a million to the Agricultural Co-operative Societies, being drawn from the Reserve. The launching of ambitious schemes such as universal elementary education, reclamation of all uncultivated land, irrigation and drainage on an extensive scale, was enthusiastically supported by the Chamber, but it is doubtful whether they realized the magnitude of the expenditure involved. For instance, land reclamation was estimated at £E.30,000,000 spread over 20 years, while education, by the provision of compulsory free elementary schools, would cost £E.4,000,000 the first year and rise annually in cost until it reached £E.10,000,000 in the sixth or tenth year.

All existing forms of taxation, *e.g.*, land, stamp, cotton, ghaffir, etc., taxes, had to be explained, and were then criticised, but it was the cotton tax (*i.e.*, P. 25 per cantar of ginned cotton) that came in for more abuse, and occupied more of the time of the Chamber, than any other. At first the Chamber pressed for its total abolition, but when they realized that the budget would not balance in that case, proposals that it should be reduced by P. 10 or even P. 15 met with considerable support. Finally, however, at the earnest desire of the Government, its retention *in statu quo* was approved, and discussion then arose as to how the proceeds, estimated in 1924-25 at £E.1,250,000, should be utilized. The most ambitious proposal was the creation of a mercantile marine and an air force.

The question of a Government subsidy or loan to the agricultural co-operative societies was a fruitful source of debate, and it was finally decided that a loan of a quarter of a million, without interest, should be granted, subject to this being eventually considered desirable as the result of the Chamber's investigation of the law passed in 1923 governing such societies.

Post-Parliamentary Period.

(1) *Co-operative Societies*.—Time did not permit of this investigation, and the result was that, when the recently appointed Minister of Agriculture took up the question of these societies, he discovered that only eleven had been formed in eighteen months, *i.e.*, since the promulgation of the law of September, 1923. He therefore decided (May 15th, 1925) to form one in each of the 80 markazes or districts into which the provinces are divided. His programme is to make use of them for loans to the fellah under easy conditions in order to save him from the rapacity of usurers ; for the sale to the fellah of chemical manures and pure seed at a cost 5 per cent. below that charged to private individuals ; and for expert advice through the medium of agricultural inspectors attached to these societies. The Government has asked the Banque Misr to place £E.100,000 at the disposal of these societies to enable the latter to lend the fellah money at 5½ per cent. interest.

(2) *Economic Council*.—In February 1925, the Council of Ministers decided upon the reconstitution and revival of the Economic Council, which had been suspended during 1924 by a decision of the Chamber on June 11th. The recent reconstitution of this body, so far from fulfilling the aim of the Chamber to confine it to Egyptian members, includes a greater proportion of Europeans than it did at its original inception in September, 1922.

(3) *Excise Duty on Cotton Piece Goods*.—The policy of the Egyptian Parliament of encouraging local industry still survives, although such encouragement is no longer confined to purely native enterprise, as is shown by the abolition on February 15th, 1925, of the excise duty of 4 per cent. *ad valorem* on all cotton piece goods manufactured locally by mechanical means. This will principally benefit the Filature Nationale, which is entirely in European hands.

(4) *Government Refinery*.—A purely Egyptian industry will however, be fostered by the action of the Government in reopening on February 25th, 1925, their petroleum refinery at Suez, which had remained inactive since the end of November, 1923, owing to the indecision of the Government as to whether it would not be better to sell, or at least let, a factory which can only be run at a loss. It was estimated that output should reach a rate of 1,500 tons a month by April 15th, when deliveries of products, *i.e.*, royalties for 1925 to the Egyptian Government were to begin; that date being chosen because it coincides with the expiry of existing contracts with commercial firms for the supply of oil. Details of the capacity of this factory are given under the heading "Mining Industry," but it may be stated here that the Government propose to consign all kerosene to the Egyptian State Railways, and all benzine to the Mechanical Department, these products being distributed by the two Departments in question to other consumers as the need arises.

(5) *Railway Expenditure*.—Although the Egyptian Parliament considered that 70 per cent. of the railway revenues was too high a proportion for expenditure, which, in their opinion, should not exceed 45 per cent., it was the Zaghouloulist Cabinet which on November 10th, 1924, approved of the programme, to be spread over the three financial years, 1925-26 to 1927-28, for spending £E.3,105,000 on abnormal renewals of track and rolling-stock,* in addition to normal current renewals amounting to £E.567,000 a year. It may perhaps be of interest to add that, according to a statement made in the Chamber by the Finance Committee, the capital of the railways was placed at £E.30,126,028 on March 31st, 1924, and the net estimated railway revenue for 1924-25 constituted 6 per cent. of that sum.

* Full details of this programme may be obtained on application to the Department of Overseas Trade, 35, Old Queen Street, London, S.W.1.

General Finance.—The outstanding events in financial circles during the period under review have been the repudiation of the Tribute Loans, already referred to, and the action brought against the Suez Canal Company—which is an Egyptian company in the eyes of the law—by the debenture holders who claim that their interest should be paid in francs, not at the rate of exchange, but at the legal value of the franc in Egypt in the money having legal currency there, viz., P. 3.8575 per franc. The first Civil Chamber of the Mixed Courts at Cairo gave judgment on January 26th, 1925, in favour of the debenture holders, but the company appealed against this decision.

The result of the appeal—which was started on April 23rd, 1925—was that the decision of the First Civil Chamber in favour of the debenture holders was confirmed.

The Court of Appeal also confirmed a similar decision given in favour of the debenture holders against the Cairo Electric Railways and Heliopolis Oasis Company.

This campaign of debenture holders against companies under European management which operate in Egypt, but pay their interest and dividends in francs, French or Belgian, as the case may be, was encouraged by their initial success against the Sucreries et Raffineries d’Egypte in the Mixed Court of Appeal on June 17th, 1924. Speculation in the debentures of all the companies attacked, or susceptible to attack, was rife, and it was generally understood that the extent of the annual exodus to Europe in the summer of 1925 depended largely on the result of the appeal by the Suez Canal Company.

Banking.—All the principal banks had satisfactory financial years, and in some cases were able to increase their dividends. However, the effect on banking business of the augmentation in the prosperity of the country was rather an adverse one, owing to the reduction in demands for advances, and the accompanying extension of competition therefor, and to the fact that private deposits, which greatly increased, had, of necessity, to be placed in short-term investments, the return from which is not as profitable as that on commercial and industrial advances.

Stocks and Shares.—High cotton values during the current season have contributed to the steady improvement shown in Egyptian securities (see Appendix XVI), but recently it is stated that foreign purchases, particularly French, have had a hardening effect on the already appreciated prices.

The general advance has, of course, reduced the yields of interest. The following short table of a few favoured local investments shows the yields, based on the last dividends paid, and on the prices at the end of May 1925 :—

	Yield Per cent.
3½ Egyptian Government, Privileged	4.98
4 per cent. „ Unified	4.93
National Bank of Egypt	4.87
Alexandria-Ramleh Railway (at £4.7/8ths) ..	4.61
Credit Foncier Egyptien, Shares	5.50
Egyptian Bonded Warehouses, Ordinary ..	5.49
Agricultural Bank of Egypt, Ordinary ..	6.34
Sucreries et Raffineries, Ordinary	8.94
„ „ Privileged	6.73
New Egyptian Co., Ltd., Ordinary	6.84

II.—TRADE.

IMPORTS.

All but two categories of the imports (see Appendix II) have contributed to the difference of nearly £E.5,500,000 in favour of 1924, but this is due principally to substantial increases in cement, coal, coffee, copper and brass sheets, cotton hosiery, cotton piece goods (unenumerated), dried fruits, flour (wheat), iron or steel manufactures, kerosene, manures, motor vehicles, sacks, silk textiles and yarn, soap, sugar, tea, tobacco, vegetable oils, wood for building, and woollen textiles.

The principal decreases are in boots and shoes, cotton piece goods, fresh fruits, and rice.

The countries which have contributed chiefly to the total increase in imports in 1924 are Italy, France, Chile, Czechoslovakia, Belgium, Japan, Germany, Australia and Russia, in that order; all the principal countries exporting to Egypt, as shown in Appendix III., show increases except the United Kingdom, British India, Greece and Roumania.

The decrease in imports from the United Kingdom is, regrettably, considerable, and has reduced the British percentage of the total from 32.6 in 1923 to 27.57 in 1924; and as the share of the overseas dominions and colonies remains constant at 8.95, the combined percentage of the British Empire has fallen from 41.55 to 36.52.

In the case of the principal foreign competitors of the United Kingdom, the percentages in 1923 and 1924 respectively are as follows:—Italy, 9.42 and 10.3; France, 8.45 and 9; Germany, 5.8 and 5.7; Belgium, 3.4 and 3.7; and U.S.A., 3.76 and 3.5. Belgium has moved up from seventh to fifth, incidentally changing places with British India.

British Trade.—Although the decline in value of imports from the United Kingdom was very much greater from 1923 to 1924 than it was from 1922 to 1923, viz., £E. 778,000, as compared with £E.39,000, some consolation may be derived from the fact that whereas the latter figure was the result of varying decreases in a large number of articles, the former is accounted

for in the main by a very few articles, with the result that the articles which have appreciably increased in value are in the majority.

In view of this state of things, and in order to facilitate the analysis of these fluctuations and the more easily to gauge the trend of British trade over 1923 and 1924, Appendix VII to the report for 1923 has been modified (see Appendix IV. to this report) on the following principles. Any article which shows a marked upward or downward fluctuation figures therein, provided that it is not relatively unimportant, or, alternatively, that the British share of the total imported in 1924 is not too insignificant as compared with that of the chief competitor. It will also be observed that the share of the latter in 1923 has been omitted from the new Appendix, owing to the fact that it is not invariably the same country in 1923 and 1924; and, in order to give some idea of the relative importance of the British share of any article that was not included in the 1923 Appendix, the total for all countries for that year for each such article has been inserted in the "Remarks" column of Appendix IV.

In view of the foregoing principles, it may be taken for granted that any articles figuring in Appendix VII. to the report for 1923, that have been omitted from Appendix IV. to this report, have only slightly decreased, or increased; as the case may be, in 1924; in certain cases, however, this omission has been repaired by their inclusion in other appendices to this report. Of the articles so omitted, and not dealt with elsewhere cotton thread, chocolate, cinema films, cutlery and tableware, jams, &c., electrical and miscellaneous machinery, and linen piece goods increased; and with the exception of cast-iron pipes, cotton laces, and nails, &c., which remained practically unchanged, the remaining articles decreased in 1924.

The outstanding instances of increased imports from the United Kingdom, which figure in this Appendix, are carpets and floor rugs, cigarettes, coal, coke, cotton piece goods (unenumerated), patent fuel, gramophones, iron or steel hoops and strips, rails and sleepers, and galvanized sheets, stationary internal combustion engines, power pumps, steamships and launches, sewing-machines, machine tools, copper and brass sheets, iron and steel goods, unenumerated, printed matter, soap (household), telegraph and telephone material, and tyres (rubber). In all the foregoing with the exception of coal, there is a rise in value of 33 per cent. and upwards, from which it would appear that there is an increased demand for them, as also for the following articles (omitted from Appendix IV, because they do not fulfil the provisions governing its compilation), viz., rubber-soled boots and shoes have doubled in value; antiseptic cotton has trebled, pianos and tractors have quadrupled, plate glass and mirrors and petroleum stores have nearly quintupled, while lead tubing and jute sacks, unspecified, have increased sixfold, and iron or steel studs for cotton bale hoops have risen from £E.463 to £E.5425, to the virtual exclusion of all competition.

The most conspicuous decreases in imports from the United Kingdom in 1924, are cotton piece goods, £813,373, constituting nearly 14 per cent. of the total imported in 1923 (see also Appendix V.), woollen and worsted cloths £E.152,400 (see also Appendix VI.); cotton yarn £E.65,000 (see also

Appendix VII) ; iron and steel axles, etc., £E.37,000, (see also Appendix VIII) ; tinplate £E.29,000 ; and wheaten flour £E.35,500 (see also Appendix IX).

Out of the 50 commodities qualified to figure in Appendix IV (imported from the United Kingdom), 21 have decreased and 29 increased in 1924. Of the total decrease resulting from the 21 in question, viz., £E.1,370,000, no less than £E.1,215,900 is contributed by the six quoted above, whereas the total from the 29 increases is £E.813,000 of which £E.626,600 is contributed by 12 amounts varying from £E.29,700 to £E.105,200.

Of these 12, the following 6 are the most important ; coal £E.52,000 (see also Appendix IX), cotton piece goods (unenumerated) £E.83,000 (see also Appendix VII), rails and sleepers, iron or steel, £E.66,000 (see also Appendix VIII) ; stationary internal combustion engines, £E.69,300 ; sewing machines £E.47,000 ; and copper and brass sheets, £E.105,200.

The total imports from the rest of the British Empire have risen from £E.4,046,040 to £E.4,541,931, thanks principally to increases on the part of Australia and British Possessions in the Far East. The increase in imports from Australia and New Zealand is largely due to wheat flour, which accounts for £E.230,000 out of a total increase of £E.280,000, and contributes all but £E.180,000 of the total imports from Australia in 1924.

Imports from British India and Aden have decreased slightly in spite of considerable shares in jute textiles and sacks, viz., £E.654,700, which constitutes 98 per cent. of the total from all countries ; cotton yarn (£E.243,700) ; rice (£E.215,700) ; wheat flour (£E.142,600) ; and tea (£E.94,000).

The principal item in imports from British Mediterranean Possessions is wine, which constitutes nearly one-third of their total, the balance being largely made up of fresh fruits and vegetables.

The relative increase in imports from British Possessions in Africa is considerable, and is principally due to coffee from British East Africa, having nearly doubled, and to an increase in sesame from nil in 1923 to £E.16,000 in 1924.

Imports from the British West Indies in 1923 and 1924 consist almost entirely of asphalt or bitumen from Trinidad, whose share of this commodity has risen from about 25 per cent. to more than 60 per cent. of the total value from all countries, and from less than one-seventh to nearly a-half of the total quantity.

Imports from Canada consist chiefly of wheat flour, but in spite of a decrease in this, the total value of imports shows a slight rise.

Other British Possessions in the Far East, which include Ceylon and the Straits Settlements, have increased their imports by nearly 27 per cent., thanks chiefly to tea from the former and pepper from the latter. It may also be of interest to note that more than one-fifth of the total value of imports from these Possessions consists of coconut oil from Ceylon, and that mineral lubricating oils from the Straits Settlements rose from £E.3,000 in 1923 to £E.11,500 in 1924, and in the case of British Borneo from £E.274 to £E.5,565.

Foreign Competition.—As it is only the United Kingdom's chief rival in 1924 which figures in Appendix IV to this report,* and as that table has been compiled primarily with the object of showing the trend of the principal imports from the United Kingdom, it may be of interest to analyse the general activities in 1924 of the five other principal supplying countries, who are the chief competitors of the United Kingdom in the Egyptian market.

Italy.—Italy continues the upward strides which have been so marked a feature of her export trade to Egypt since 1921, and has in 1924 added £E.963,000 or more than 22½ per cent., to her 1923 total. This is due to substantial increases in most of her supplies, the most prominent of which, in 1924, were cotton piece goods of all kinds (see Appendices V and VII); woollen textiles, excluding hosiery, £E.292,000; silk yarn, £E.156,000; cotton yarn, £E.143,000; motor vehicles, £E.133,000; silk shawls, £E.127,000; rail locomotives, £E.105,000 (see sub-heading "Railway Material"); hosiery (cotton, silk and woollen), £E.105,000; silk cloths and mixed silk textiles, £E.95,000.

Her active and increasing participation in the cotton, woollen and silk trades is dealt with in detail later on under the general heading "Textiles," while detailed statistics showing the exact extent of Italian competition in cotton piece goods, hosiery and yarn, and in woollen textiles and yarn will be found in Appendices V to VII.

France.—France, which again comes third on the list of principal supplying countries, has increased her trade by the same percentage as Italy, although the actual margin of difference is £E.100,000 less. The most important items in her 1924 total are silk cloths and mixed silk textiles, £E.522,000; woollen textiles (excluding hosiery), £E.367,000; iron or steel goods, all kinds, £E.237,000; machinery, £E.164,000; medicinal specialities, £E.132,000; flour, £E.129,000; furniture, £E.116,000; hosiery (cotton, silk and woollen), £E.113,000; motor vehicles, £E.109,000; and ready made clothing (cotton and silk), £E.104,000.

With the exception of flour, iron or steel goods, and machinery, all the above-quoted commodities have substantially contributed to France's increased total in 1924.

Germany.—Imports from Germany in 1924, though 11 per cent. greater than those of 1923, represent a slightly lower percentage of the total from all countries. The most valuable of Germany's exports to Egypt in 1924 were: iron and steel goods, all kinds, £E.429,000; hosiery (cotton, silk, and woollen), £E.258,000; machinery, £E.179,000; locks and door and window fittings, £E.168,000; dyes, £E.128,000; woollen textiles (excluding hosiery),

* The name and share of the chief competitor in 1923 and the corresponding total from all countries in respect of any article which is not new to Appendix IV can be ascertained by reference to Appendix VII to the report for 1923.

£E.106,000; and wrapping paper and cardboard, £E.104,000. Machinery and woollen textiles, which show a distinct downward tendency, taken as a whole, are the only outstanding imports from Germany which have not helped to swell the 1923 total.

Belgium.—The rise of approximately 23 per cent. in the 1924 total of imports from Belgium is due chiefly to a substantial increase in iron and steel goods of all kinds, in which her share is £E.654,000; but other important items which have helped to a minor extent are: cotton piece goods (all kinds), £E.304,000; chemical manures, £E.90,000; plate glass and mirrors, £E.81,000; and window glass, £E.68,000.

United States of America.—The United States having increased her exports to Egypt by only 5·6 per cent. as compared with the very much greater ratio of increase recorded above in the case of Belgium, has had to cede to that country the place she occupied in 1923. The chief articles and commodities imported from the United States in 1924 are: wheat flour, £E.387,000; motor vehicles, £E.191,000; kerosene, £E.185,000; mineral lubricating oils, £E.173,000; machinery, £E.113,000; and glucose, £E.95,000. Of the foregoing, wheat flour and kerosene have dropped considerably below her 1923 level, while her imports of machinery are only £E.16,000 above that; whereas substantial increases have been responsible for the totals quoted for the three remaining commodities.

General.—In order to gauge the position of the United Kingdom *vis-à-vis* her five chief competitors in the three most important categories of goods next to cotton piece goods (for which see Appendices V and VII), the totals above quoted for iron and steel goods (all kinds), woollen textiles (excluding hosiery), and machinery have been based, in the case of each country, on the same variety of goods as those which combine to make the United Kingdom totals, which are respectively £E.775,000, £E.672,000, and £E.605,000. It is satisfactory to note, as the result of comparing these with the corresponding figures quoted for Belgium, France, Germany and Italy, that the United Kingdom still leads by a comfortable margin in all three. This is, unfortunately, not the case with hosiery, cotton, silk and woollen, in which the United Kingdom total is only £E.97,000; in other words, less than that of each of her three chief competitors and only a little more than one-third of that of Germany.

Textiles.—By reference to statistics which are given in Appendices IV to VII inclusive, it will be observed that during 1924 the United Kingdom has been losing ground in her share of imports into Egypt in several lines of textiles.

Competition, particularly from Italian sources, increased very considerably, and it is now quite exceptional to find any large importer who does not stock some of the regular lines of Continental manufacture.

Cotton Piece Goods.—While the total volume of cotton piece goods absorbed by Egypt during the year under review fell by about 9 per cent. below that of the year 1923, the United Kingdom's share of this trade decreased by a fraction over 14 per cent.

The high prices ruling on the cotton market were not reflected in increased sales of piece goods, but the satisfactory financial position was undoubtedly responsible for the healthier lists of book debts with which merchants were able to close their year.

Failures were few, but one important suspension of payment in March was felt by most merchants trading in the Delta and affected public confidence for a while.

Although, perhaps, it is not quite an accurate estimate of the year's trade in the five main categories of cotton piece goods to consider too carefully the actual value of imports compared with previous years, owing to the fact that prices have fallen very considerably since the boom year, and that foreign competition has also become more acute, it must, nevertheless, be admitted that the results of the year's trading from the point of view of United Kingdom firms cannot be considered to have been very satisfactory, as, with the exception of bleached goods, light printed goods, and light goods dyed in the yarn, the volume of goods supplied by the United Kingdom decreased very considerably, while in many of the principal lines Italian firms made extraordinary headway.

The United Kingdom is still supreme as a supplier of the majority of articles coming under the heading of light grey goods, such as, for example, cloths known as Tanjibs, Mulls, light grey shirtings, etc., but, unfortunately, a very different situation exists in regard to heavy grey articles, including heavier grey shirtings, long cloths, T. cloths, etc.

In these lines Japanese exporters have made tremendous strides, particularly in the 6 lb. and 7 lb. T. cloths, and this advantage has mostly been gained at the expense of British trade.

The total volume of greys (light and heavy) imported into Egypt during 1924 decreased by approximately 10 per cent., while the United Kingdom's share fell by about 20 per cent. as compared with 1923.

Although Italian competition also increased very steadily in heavy greys, it has not, as yet, become a danger to United Kingdom trade, whereas Japan has doubled the volume of her supplies and passed the United Kingdom in the race for supremacy.

Italian penetration in the market for goods dyed in the piece and in the yarn continued to make itself felt during the year, but although statistics of imports from the United Kingdom are by no means encouraging as a record of the year's trade, the decrease in volume being roughly 52 per cent. for goods dyed in the yarn and about 24½ per cent. for dyed in the piece, as compared with 1923, it is satisfactory to hear that very considerable orders for different grades of cotton cloths have been placed in the United Kingdom for delivery in August and September of the present year.

The total decrease in volume of imports of goods dyed in the yarn is roughly 30 per cent., and of goods dyed in the piece about 12½ per cent.

In spite of an appreciable decrease in volume in 1924, Italy has now succeeded in more than doubling the United Kingdom's share of imports of heavy goods dyed in the yarn, and is by now by far the most important supplier of these lines, with the United Kingdom a very bad second; while Belgian and French imports have decreased by 30 and 5 per cent. respec-

tively. Although, as yet, not in a position seriously to challenge the United Kingdom in the supply of light goods dyed in the yarn, the steadily increasing strength of Italian competition in these articles gives food for thought for the future.

Italian progress in the market for coloured woven goods is evidenced by the wide sale of the article known as "Scotch," and it is the increasing popularity of this line which has practically killed the corresponding trade in flannelettes.

Italian competition has also been most strongly felt in the following lines of goods dyed in the piece: Reversible satin stripes, herringbones, pongees, twills, low drills, striped cotton coatings, striped repps (locally known as *kam el nur*) and chevron stripes, while Italian manufacturers have maintained their position in the market for heavy Imperial coatings, 54-in. black sateens, coloured schreinered sateens, and cotton trouserings.

Prices for most of these articles have averaged from 5 to 15 per cent. below those for corresponding goods from the United Kingdom. During the last few months, Italian agents have booked heavy orders for many of these articles, particularly coatings and sateens.

Italian warped sateens are becoming increasingly popular, but sales of mock voiles appear to be diminishing.

Since the introduction into Egypt of printed goods of Italian manufacture, this trade has been very considerably developed, with the result that many improvements, as regards both design and printing, have been seen. On the other hand, many complaints have been made in regard to the quality of cloth used and the printing, in so far as actual prints are concerned.

The total volume of imports of printed goods decreased by roughly $4\frac{1}{2}$ per cent., and the United Kingdom's share fell by about $7\frac{1}{2}$ per cent.

French competition in the superior qualities of both light and heavy prints strengthened considerably during 1924, while Dutch and Czechoslovak prints have also invaded the market.

The United Kingdom's record in the matter of the supply of bleached goods is eminently satisfactory, her total import representing almost the whole of the trade in these goods. The Italian total, volume and value, although still unimportant as compared with those of the United Kingdom, have increased by 50 and 70 per cent. respectively, and would appear to constitute evidence of an attempt to cut into the market for this line of goods as well.

It is true that as compared with the figures of 1922, the value of United Kingdom imports of this line has decreased by £5,100,000, and the volume of her trade in the heavy lines has fallen appreciably below that of 1923, but taken as a whole, in view of many incidental difficulties with which merchants have been faced during the past year, the position is really satisfactory.

Italian cotton shirtings are still in their experimental stage, but considerable progress must be acknowledged in these lines. Italian white shirtings are already well established on the Egyptian market.

On examination of the various causes to which may be attributed the steadily increasing strength of competition from Italy, the heavy fall in the lire exchange must be considered as having contributed very largely to the successful sales of her goods in the Egyptian market. Moreover, the fluctuations in the exchange have led to the investment of Egyptian currency in lire when the latter have been cheap, and this money has frequently been used for the purchase of goods when prices were relatively high as the result of subsequent rises in exchange. In this connection, it must not be overlooked that the element of

gambling appeals irresistibly to many local merchants, with the result that recourse to these methods of business has been fairly widespread.

Further, the methods of merchanting adopted by Italian houses and their local representatives may be worth examination.

The goods are normally sold c.i.f. Alexandria at a price quoted in lire with varying discount rates, according to the standing or importance of the client.* In the case of the larger importing houses these discounts generally amount to 3 per cent. with two to three months' credit, but in special cases, discounts have been offered of as much as 8 per cent., and even 11 per cent. This, of course, is seldom done.

There are no extras to the prices quoted, as these include packing, patterns, shipment, Customs and relevant dues, etc.

Owing to the credit facilities offered by Italian exporters, local merchants have been buying Italian goods for choice, as they are able to sell to the dealers in many cases before they actually pay for them themselves.

Thus every facility is offered to the local merchant to trade with the minimum of cost or investment on his part.

An added advantage enjoyed by Italian firms lies in the regular and frequent steamship communication and the comparatively short voyage between this country and Italy.

The local cotton spinning industry is still in its infancy and cannot be said to compete to any extent with imported goods from the United Kingdom.

The one machine-driven factory turns out a limited quantity of grey cloth of a coarse quality, for which there is an assured market, and if it competes in any way with imported cloth, it must be mostly at the expense of Japan. In spite of this, however, as before stated, the latter country's deliveries of these goods increased during 1924.

Although it will be seen from Appendix VII that Italy has usurped the United Kingdom's supremacy in unenumerated cotton piece goods, the share of the latter has increased by nearly one-third. At the same time Belgian imports have doubled, Swiss nearly quintupled and Austrian nearly quadrupled.

Cotton Yarn.—The sales of cotton yarns (see Appendix VII) during 1924 were not very encouraging. Fabrics which are locally woven from United Kingdom, Italian and Indian yarns did not find such a wide market as in previous years, with the result that stocks have accumulated in the hands of weavers.

Cotton Hosiery.—Whereas imports from the United Kingdom have dwindled by about three-fifths, and from Japan by a small

* Detailed information on foreign methods of payment and terms of quoting in Egypt may be obtained on application to the Department of Overseas Trade, London, S.W.1.

margin, all other competitors have increased their trade, in most cases by considerable proportions (as Appendix VII shows), with the result that the United Kingdom has fallen from sixth place in 1923 to tenth in 1924, out of eleven competing countries. Germany still leads the way with nearly one-third of the total imports, with Japan a good second. The increase in Austrian and Dutch trade has been, relatively speaking, phenomenal. It is, however, to be hoped that United Kingdom manufacturers will make an effort to regain at least a part of the trade which is so rapidly slipping away, since the fact that certain well-known importers have for some time past been urging their principals not to neglect this quite important trade is a sufficient proof that the United Kingdom article, provided that prices can be made competitive, is still popular.

Miscellaneous.—France has wrested the premier position from Italy as supplier of ready-made cotton underclothing to the Egyptian market, values of imports from the latter country having slightly decreased; the United Kingdom takes the third place with a decreased value. The total value of imports from all countries increased by over 8 per cent.

France maintained her position as the largest supplier of ready-made cotton clothing, having secured almost 50 per cent. of the total trade which amounted in value to £E.83,913. The United Kingdom, with a decreased value, retained second position, her quota representing a little over a third of her more successful competitor's supply, while Italy, with an increased import, obtained the third place.

The considerable increase in the United Kingdom's import of velvets and plushes is most encouraging. She has now wrested the supremacy from France in several lines of these goods, for although the latter country's value of imports is greater, the advantage of the United Kingdom's position is that she has supplied by far the greatest quantity.

The United Kingdom fully maintained her position in the supply of cotton laces, ribbons and trimmings, in spite of the fact that the value of her supplies slightly decreased as compared with 1923.

Trade in general in these goods was fairly brisk, the United Kingdom's share amounting to about 22 per cent. of the total value of imports from all countries, which amounted to £E.235,789. German supplies fell by almost 50 per cent., while France, the next competitor to Italy, increased her supply. Italian imports were very little below those of the United Kingdom, but Switzerland, whose share was very nearly as great as that of France, competed keenly with the United Kingdom in laces.

The total value of imports of cotton sheets and table cloths from all countries fell from £E.112,107 in 1923 to £E.103,600 in 1924. Italy is still the largest supplier of these goods with a reduced value as compared with 1923, but as in the case of laces,

ribbons, and trimmings, above-mentioned, prices have fallen, with the result that, as far as can be ascertained, there has been little, if any, diminution in volume of imports. As the result of increased competition from France, that country has now passed the United Kingdom causing the latter to drop to third place in the list of principal suppliers.

Italy is almost supreme in the market for cotton shawls, with Germany the nearest competitor, and Italian cotton handkerchiefs are competing strongly with the United Kingdom article, although, fortunately the latter retains the premier position with a reduced total compared with 1923. French, German and Belgian participation in this last has increased.

Woollen Textiles.—It will be seen from Appendix VI that although the United Kingdom still holds the premier position in the supply of woollen and worsted cloths, the serious challenge by France and Italy in several lines cannot be ignored, and competition from Czechoslovakia, though on a much smaller scale, has made considerable strides.

While the total volume of imports from France and Italy has increased by leaps and bounds, that of the United Kingdom has decreased to an alarming extent.

French cloth manufacturers, for the most part, maintained uniform prices during the year, and, consequently, many Egyptian clients were encouraged to renew orders. Those who had placed their orders before the fall of the franc made considerable profits.

French prices for fancy woven cloths of various kinds rose as much as 10 francs per metre for lines which cost 34 francs per metre in 1923.

Czechoslovakian manufacturers, who have successfully imitated United Kingdom and French designs, have for some time quoted in shillings, and, to meet this, several French manufacturers followed suit, with the result that, in many cases, in order to provide against a fall in exchange, prices have actually risen by as much as 10 per cent., and, consequently, buyers have preferred to return to franc quotations. This period proved a boon to United Kingdom manufacturers, who were enabled to increase their sales.

From present indications it would appear that French manufacturers intend concentrating very particularly on the export to Egypt of qualities of cloth such as those produced in the United Kingdom and Czechoslovakia, varying from 148 cms. to 50 cms., which find a ready sale in this market.

It is only in mixed woollens and worsteds, blankets and coverlets and yarn, that imports from the United Kingdom have increased, and only slightly at that, whereas French and Italian supplies of the first two lines, though smaller than those of the United Kingdom, have risen by proportions varying from 60 per cent. to more than double. It must, however, be borne in mind that Tunis easily predominates in the market for blankets and coverlets.

In woollen yarn the trade, with the exception of a small share from France, is entirely in the hands of the United Kingdom, which also still leads in woollen hosiery, in spite of a slight decrease, accompanied by increases in French and Italian supplies.

In woollen shawls and ready-made clothing, however, the United Kingdom is a long way behind Italy and France respectively.

The total value of woollen shawls imported into Egypt during the last year increased by £E.2,050 as compared with 1923. The United Kingdom's share fell by almost 50 per cent., while that of Italy increased

by as much as 100 per cent. German competition, although still very formidable, fell away considerably, but their loss was Italy's gain.

The United Kingdom's inglorious position in this trade is most disappointing in view of the undoubted superiority of British material and workmanship, and before it is too late British manufacturers should make a supreme effort to regain their lost position, particularly as it is not considered locally that this is a trade for which Italian industry is in any way noted. French competition, of course, has always been known, and also German, and to a lesser extent, Austrian, but United Kingdom exporters have usually been able to meet this.

United Kingdom supplies of ready-made woollen clothing fell off considerably during the year, but Czechoslovakian and French imports increased, the French share being more than double that of the United Kingdom. The local demand for these goods has fallen off to a considerable extent, but when estimating the consumption of these articles, it is, of course, impossible to include the very great unseen import of these and other lines, which are known to be purchased abroad in considerable quantities, and, perhaps, worn once before being brought into the country.

The value of United Kingdom imports of woollen hosiery decreased by about 4½ per cent. in 1924 in spite of the fact that the demand for the British article was, on the whole, very keen, but, unfortunately, as no statistics of the corresponding quantity are available, there are no means of estimating the actual volume of import. In view of the fact, however, that the United Kingdom supplied more than 50 per cent. in value, there is no reason, if one takes into consideration a certain fall in prices, to believe that she did not maintain her position, as the increase in value of the shares of France and Italy is more or less offset by the increase in the total value of imports over that of 1923.

In any case, it is particularly satisfactory to know that clients insisted on obtaining the British article, but it is to be regretted that frauds were so widespread among many of the smaller traders, who had no scruples about removing foreign marks and substituting British labels in their place in order to deceive purchasers.

They were not alone in this nefarious practice, but, in certain cases, were aided and abetted by foreign manufacturers, who stamped their goods with marks very closely resembling well-known United Kingdom trade marks, and printed their labels in English, with shilling quotations.

These practices caused harm to British trade, not only in the hosiery lines, but also in the underclothing trade.

Silk.—With the increasing popularity of artificial silk goods, another field for Italian penetration is opened up and United Kingdom manufacturers would be well advised not to ignore this trade. Up to the present, American competition in this line has not been noticeable to any particular extent, but there is no reason to believe that the Egyptian market for these goods will be overlooked for very long by American manufacturers.

Italian artificial silk goods are priced, as a rule, at 7, 7½, or 8 piastres per yard, while the really superior qualities have reached as high a figure as 15 piastres per yard. With their highly developed organization in this industry and other advantages, Italy has already obtained a very substantial lead in the Egyptian market.

Although Italian competition, and, to a lesser extent, Austrian, in the supply to the Egyptian market of ties of various kinds is

still very strong, it is satisfactory to learn that the United Kingdom article has entirely ousted its rivals from the shops which sell the best qualities. It is true that the Continental goods are widely sold for the cheaper trade, but from present indications it would seem that the efforts of United Kingdom manufacturers and their agents are bearing fruit, with the result that increased sales may be anticipated during the present year, provided, of course, that prices can be kept at a more or less competitive level.

Excluding the considerable import of carpets and floor rugs from Persia and Turkey, Egypt has continued to absorb a considerably quantity of these goods from Europe, and although France is the largest supplier of European goods of this nature, imports from the United Kingdom have been most satisfactory.

Iron and Steel Goods.—By reference to Appendix VIII it will be seen that United Kingdom trade has fallen away very considerably in the supply to Egypt of the following commodities: (a) Iron and steel bars and billets; (b) iron and steel girders and joists; (c) non-galvanised sheets and plates; (d) axles, wheels and springs; (e) rivets, nuts and washers. There was also a certain reduction in the United Kingdom's trade in constructional iron and steel cables, chains, anchors and grapnels, wrought-iron pipes and fittings.

In almost every category, with the exception of (e) above, Belgium's share marks a decided advance, but German firms also have not been inactive.

The United Kingdom's share in certain categories, particularly rails and fittings, bedsteads, hoops and strips, wire rope, wire, and galvanised sheets, has increased to an encouraging extent, but the remarkable strength of Belgian competition in the last named is very disconcerting, in view of the fact that this trade was at one time considered to be almost a British preserve.

The decline in the United Kingdom's trade in so many lines is almost entirely due to price conditions and high freights, and until these can be reduced very considerably future prospects for increasing trade are not very bright.

The fact that cut-throat competition by low-currency countries which reduced prices to a minimum in many categories, continued unabated throughout the year, may probably have had some bearing on the increased import of all lines of iron and steel goods, but the close relationship between contractors and foreign suppliers, particularly in regard to building materials, and the credit facilities which some firms, particularly Italian, appear to be in a position to offer, are also strong factors in favour of the United Kingdom's competitors.

I.C. Engines and Pumps.—The satisfactory position of the United Kingdom in the matter of the supply to Egypt of stationary combustion engines is worthy of some notice. The great bulk of this trade was in low-powered engines, mostly cold-starting, horizontal four-cycle engines of up to about 50 h.p., for

use in connection with artesian wells in Upper Egypt. There was also a wide sale for vertical two-cycle engines.

The demand for small engines opened briskly in the autumn, and continued strongly through the winter months, and it is satisfactory to know that the United Kingdom products swept the market, beating their foreign rivals both in price and quality. Well-established British firms have such a splendid organization in this country for the marketing of their goods, and enjoy the confidence of the fellahin to such an extent as a result of the unfailing patience shown and the real assistance afforded by their representatives on all occasions, that, short of recourse by foreign competitors to unfair methods of business, there is little likelihood of the British position being seriously challenged in the near future. Nevertheless, in view of the increasing market for small machines, there will always be room for development, and the trade should therefore be carefully watched, as German and Swiss competitors are losing no opportunity to cut in, fortunately, up to the present, with indifferent success.

The market for higher-powered engines is naturally limited to large power installations, mostly for Egyptian Government use, but those for private use are, owing to Government control of the Nile, necessarily limited to a few large estates.

Swiss and German firms have been most successful in the market for these goods, and during the year, with but one exception, all Egyptian Government contracts for power installations were obtained by Swiss or German houses, in many cases working in collaboration, *e.g.*, the Swiss supplying the motors and the Germans the electrical appliances. In this connection it may not be out of place to mention that, whereas in the past certain Swiss firms collaborated in this manner almost entirely with United Kingdom firms, they now deal almost entirely with the Germans.

The majority of the medium-powered engines supplied during 1924 were of from 150 to 300 h.p. A certain number of these are absorbed by business concerns, mostly hotels.

The total import of *internal-combustion engines* (stationary) amounted to 1,284, valued at £E.399,718, of which the United Kingdom furnished 809, at a cost of £E.216,637; her nearest competitors being Switzerland, with 146, and Germany, with 284, valued at £E.92,834 and £E.68,457 respectively. There is a very slight Italian penetration in this trade. The total import increased by 517 in volume and £E.144,316 in value.

The United Kingdom still predominated in the supply of *power pumps* and, indeed, more than doubled her exports to Egypt, but a similar increase in volume also applies to imports from France and Germany, while the U.S.A., whose share appears to have been confined to small pumps, nearly quadrupled the volume of her supplies in 1923. Imports from Switzerland increased by 75 per cent., and Austria has now entered the market. The total import amounted to 1,724 pumps, valued at £E.59,495, of which the United Kingdom's share reached 624, worth £E.25,936; that of France, her next competitor, being 231, valued at £E.13,256.

The total import of *hand pumps* rose to 10,934, valued at £E.12,107, in 1924, from 8,798, valued at £E.9,574, in 1923. The U.S.A. and Germany were by far the largest suppliers of these goods, together contributing about 90 per cent. of the total import. Nevertheless, United

Kingdom manufacturers can point to a 100 per cent. increase in their still very limited exports to Egypt and should not be discouraged in this field.

Electrical Machinery and Electric Fittings.—The year 1924 marked a general advance in municipal electrical undertakings in the provinces ; seven contracts, totalling to approximately £E.180,000, for the supply and erection of equipment for electrical power generating stations and for various distribution systems, have been placed. All the electrical generating plant and most of the material for the distribution systems is being supplied by German manufacturers ; one local agent, however, who represents various French suppliers having a large capital in French francs at depreciated value, was able to secure a contract at a very low price for an electrical distribution system in the provinces, the value of the contract amounting to about £E.20,000. The Diesel engines for these installations are, with the exception of two small orders placed in Germany, being supplied by a well-known Swiss firm.

The order for hydraulic turbines for the electrical installation awarded to the French firm above mentioned was also secured by a Swiss firm, the main contractors, however, being the local representatives of the German firm Siemens-Schuckert.

A comparison of the tenders submitted shows that, whereas there was little appreciable difference between the Swiss and German prices for engines for the electrical generating plant, French and British quotations were about 20 and 50 per cent. respectively above those of German firms.

It is to be regretted that, with one exception only, United Kingdom manufacturers do not appear to have submitted tenders for provincial electrical undertakings.

No very important orders were placed by the Ministries of Communications or Public Works, with the exception of the contract obtained by a British firm for the installation of a 2,000-line automatic telephone exchange for the former Ministry, and the order by the latter Ministry for extensions to electrical power generating plant and supply of four 50-h.p. motor pump sets and 4 kms. of underground armoured cable for Montazah Palace. The order amounted in all to about £E.12,000, and was placed as follows :—

Diesel engines	..	..	..	..	..	Italian firm.
Generators	..	..	..	..	..	German ..
Pumps	..	..	..	..	..	Swiss ..
Motor and control gear, and armoured cable	..	..	..	..	..	Belgian ..

Competition by British, French, Italian, Swiss, and German firms was very keen indeed.

There has been little activity in the local business world owing to the fact that the more important public utility companies, such as tramways, Suez Canal Company, sucreries, gas and electric light, etc., purchase as a rule through their head offices in Brussels and Paris.

In the small supply business, in spite of the fact that the market is inundated with lighting fittings and various appliances of German manufacture, there is a good demand for American goods in these lines : small generators and motors supplied locally are mostly of French or Italian manufacture, but here again there is a steady demand for the superior American-made motors. It does not seem too much to expect of United Kingdom manufacturers that they should make greater efforts to capture a proportion of this trade.

It is also interesting to note that local German dealers are purchasing in this market American-made lighting switches in considerable quantities.

The lift business at present is mostly in the hands of the local representatives of a Milan company : low rate of exchange is in their favour, and their working arrangements with local building contractors leaves little chance for competitors very seriously to shake their position. However, as a well-known Swiss firm of lift manufacturers have cut prices with a view to challenging the Italian firm's supremacy, it is to be hoped that United Kingdom firms will also study this very difficult market.

In spite of German competition in the small supply business, it is quite reasonable to assume that if British manufacturers had extended their advertising and trade propaganda in general they would have obtained quite an important share of the trade but under present conditions their local representatives find themselves almost unable to obtain a market for their principals' goods, whereas foreign competitors have every facility possible for securing distributors, etc.

Compared with the year 1923, the volume of electrical business, apart from Government contracts, has risen steadily, and an increasing demand by local industrial concerns for electric motors has been remarked.

Outside the cities of Cairo and Alexandria there has been little demand for electrical goods, but the extensive construction of new buildings in these towns has involved a large increase in wiring installation work, which is often carried out, even in the cases of important buildings, by some obscure dealer possessed of little or no knowledge of electrical engineering.

The total import of electrical machinery was valued at £E.146,564 in 1924, as compared with £E.144,361 in 1923.

The shares of the principal importing countries were as follows : France, £E.45,605 ; United Kingdom, £E.28,788 ; Switzerland, £E.18,418 ; Germany, £E.16,926 ; U.S.A., £E.13,502 ; and Italy, £E.13,326. It must, however, be pointed out that these amounts give only a vague indication of the volume of import from the different countries owing to the difference in their respective exchange values. The United Kingdom, Germany and Switzerland, increased the value of their supplies, but that of most of the other supplying countries dropped very considerably.

The total trade in certain appliances and batteries amounted to £E.50,218, of which the German share was £E.15,334, the British £E.13,569, and the Italian £E.10,493.

The electric lamp market shows little change, one Dutch firm supplying about 50 per cent. of the total consumption ; but German penetration has become more marked of late. In respect of this market, a recent price agreement arrived at by most of the leading lamp manufacturers should tend to distribute this business among the various local dealers, but as the latter are not in every case adhering to this agreement, British lamp manufacturers represented locally are in a worse position than before. It is expected that further developments will arise in the future. The total import of bulbs amounted to 1,363,103, valued at £E.39,352 ; the United Kingdom's share amounted to only 13,416, valued at £E.696.

Many propositions, such as traffic control by electricity in Cairo and Alexandria, electric transport trucks and overhead travellers for use at the main railway stations and warehouses, and improved electric lighting schemes, have been submitted by at least one British firm, but the Egyptian Government appear to maintain a somewhat lethargic attitude in regard to such proposals. Encouragement was given by the placing of a contract for an automatic telephone exchange, but, unfortunately, this precedent has, for several reasons, not been followed up, and subsequent tenders have recently been submitted for the installation of a 6,000 line manual exchange.

Foreign private enterprise, during the year under review, was handicapped by reason of the unsatisfactory political situation, but it is hoped that adverse conditions so prejudicial to the economic welfare of the country will, under the present Government, tend to disappear.

Agricultural Machinery.—Perhaps one of the most outstanding features of the machinery trade during 1924 has been the extraordinary increase in the import of tractors from the U.S.A., whose supply of these goods increased from 53 in 1923 to 420 in 1924. The United Kingdom provided only seven and Italy 15, the latter at very low prices. Up to the present this trade is practically in the hands of one American firm.

There was a slight decrease in United Kingdom supplies of threshing machines and other agricultural machinery, except steel ploughs, for which there was quite a brisk demand during the summer. The total import of other agricultural machinery increased by 21 per cent. amounting in value to £E.20,029, of which the United Kingdom's share was £E.11,219.

Miscellaneous Machinery.—A healthy increase in the supply of sewing machines from the United Kingdom was recorded during 1924, but, unfortunately, it is not known to what extent

British industry is responsible for this seemingly happy state of affairs, in view of the well-established position in this market of the Singer machine, and the remarkable fall in imports of these goods direct from the U.S.A., which amounted to a value of only £E.233 compared with the large figure of £E.28,080 in 1923. The total import in 1924 amounted to £E.88,597, of which the United Kingdom's share is recorded as £E.79,962, the latter representing an import of more than double that of 1923.

The U.S.A. swept the market for typewriters, as usual, but the very small import from the United Kingdom showed an encouraging increase. However, as in the case of sewing machines, there is no means of accurately estimating the import of actual United Kingdom productions as opposed to British re-exports.

The United Kingdom still holds the predominant position in the market for machine tools, and only the American share, which is very small, shows any particular increase. The total trade was valued at £E32,010, of which the United Kingdom's share was more than half.

Imports of machines and parts not otherwise enumerated increased from a value of £E.529,495 in 1923 to £E.564,390 in 1924. Of this total the United Kingdom supplied £E.209,738 worth, while France, Holland and Germany, her nearest competitors, exported to the values of £E.98,168, £E.63,398, and £E.63,290 respectively. Most of the countries exporting to Egypt increased their supplies very considerably, but the U.S.A.'s share fell to half her quota of 1923, and Swiss, Italian and German valuation figures show a marked decrease, although, owing to low prices, it is doubtful whether the actual volume of these countries' supplies has decreased very much, if at all. The most noticeable record of achievement is that of Holland, which increased the value of her supplies from only £E.13,037 in 1923 to the figure mentioned above; Czechoslovakia increased her supplies threefold, and the United Kingdom can point to a substantial increase of £E.9,235.

In view of the many difficulties with which countries of high or normal currency have had to contend, it is particularly satisfactory to note the steady advance in the United Kingdom's trade in various forms of machinery. An unfortunate exception is, however, afforded by the deplorable loss of trade in such lines as tip wagons and trolleys. In spite of the fact that the total import of these goods was almost double that of 1923 in number and almost three times as great in value, United Kingdom supplies fell from 32, valued at £E.406 in 1923 to the negligible amount of three, valued at £E.207. On the other hand, Germany, the largest supplier, trebled the value of her share, which rose to 832, valued at £E.9,534 in 1924, and Belgium advanced from 16, of a value of £E.160 in 1923, and to 130, valued at £E.1,555 in 1924. The reason for the German and Belgian success is almost entirely due to low prices, and there is reason to believe that a certain amount of the material imported was secondhand. The German contractors engaged on the Suez harbour works imported

a considerable quantity of this kind of material during the year, which would account to a certain extent for the extraordinary increase in the import from Germany. A limited quantity of such material is used on the sugar estates, and in excavation, as well as building works and factories, but the demand is seldom particularly brisk and a fair amount of old stock frequently changes hands.

EXPORTS.

In spite of the decreases in no less than seven out of the fifteen Customs categories which appear in Appendix XI, exports from Egypt increased by £E.7,346,608, or nearly 12·6 per cent. in 1924. The principal decreases were in sugar, which accounted for nearly £E.600,000, and cottonseed oil, which further reduced the gross increase by nearly £E.140,000. The decrease of sugar was due partly to the high price of the Egyptian product as compared with those of other countries, and partly to the fact that local stocks had been largely exhausted during 1923. That in cottonseed oil appears to be due to the fact that Germany whose purchases in 1923 constituted 40 per cent. of the total exports, prefers to crush Egyptian cottonseed at home (as is evidenced by her largely increased consumption of that commodity in 1924.)

Raw cotton was, as usual, responsible for the great bulk of the total increase in value of exports, but it will be seen from Appendix XII that so far from a rise in value of £E.7,038,000 being accompanied by a rise in quantity, the volume of exports decreased by 220,000 cantars.

Cottonseed and cottonseed cake both decreased in volume, but in each case the rise in cotton prices was reflected in increased values.

Substantial increases in value and quantity occurred in eggs, onions, phosphates, raw flax and wool, rice, and cotton piece goods, grey, the last-named being purchased principally by Greece, Syria and Turkey, and amounting in all to 460 metric tons.

The decline in the export of cigarettes continues, and although this amounted to less than 9 per cent. in 1924, as compared with 50 per cent. in 1923 (*i.e.*, in relation to the volume exported in 1922), the total quantity of 170,000 kilos. in 1924 is only 20,000 kilos. in excess of the total import of cigarettes, which were supplied almost entirely by the United Kingdom, and which incidentally, decreased by 10,000 kilos. In spite of an increase in the import of leaf tobacco, the 1924 total of 6,900,000 kilos. of the raw material is from one to two million kilos. below what is considered as Egypt's normal consumption, and the sales, both local and overseas, of cigarettes made in Egypt will probably continue to be adversely affected so long as no attempt is made to remove one or more of the various obstacles which beset this important Egyptian industry.

Principal Purchasing Countries.—With the exception of Mesopotamia, Palestine, Syria, Turkey, and the Empire overseas,

which are not purchasers of cotton, the rise or fall in the annual value of Egyptian produce exported to the principal purchasing countries corresponds, as a general rule, fairly closely to the increase or decrease in their respective purchases of cotton. Thus Appendix XIII, read in conjunction with Appendix XII, shows that cotton was mainly responsible for the increase in exports to the United Kingdom, Czechoslovakia, France, Germany, Italy and Switzerland, and for the decrease in the case of Austria, Japan, Russia, Spain and the United States of America. The most noteworthy feature of the exports of raw cotton to the nine principal purchasing countries is that a small decrease in the purchases of the United States of America and a large increase in those of France have raised the latter country to second place after the United Kingdom, and ousted the U.S.A. from a position that she has held annually for some time.

With the exception of rice and sugar, the United Kingdom is again the principal purchaser of Egypt's chief exports, viz., cotton, eggs, cottonseed, cottonseed cake and oil, and onions.

PROMOTION OF TRADE AND INDUSTRY.

Commercial Legislation.—The only legislative enactments promulgated during the period under review, which directly affected trade and industry in any way were the following :—(a) Prohibition of Export of Cereals, 12th February, 1925 (see chapter on Social Questions); (b) Abolition of Excise Duty on Cotton Piece Goods, 15th February, 1925; (c) Control of Drug Traffic, 21st March, 1925 (see chapter on Social Questions).

With regard to (b) above, only one private factory, the Filature Nationale, will be affected to any appreciable extent by this development, as its only rivals are small power looms at Damietta where a limited quantity of rough grey cloth and "tangibs" are produced. Excise duty on locally made cotton piece goods was not applied to hand looms or to any educational centre, such as Mehalla, where spinning by mechanical means is carried out under Government auspices. It is understood that the *raison d'être* of this abolition is to help local industry to compete with Japanese cabots which are sold at about P.3 the yard. In order to compete with Japan the Filature Nationale are specialising in two qualities of grey cloth, 32 inches and 34 inches respectively in width.

It will be interesting to see whether the production of this factory, which at present is 250,000 to 300,000 lbs. of yarn and 750,000 to 800,000 yards of cloth per month, will increase appreciably as the result of the abolition of excise duty at 4 per cent. *ad valorem* thereon.

III.—INDUSTRY AND PRODUCTION.

Mining Industry.—Since the year 1924 the mining industry in Egypt continued to be influenced by trade depression, which particularly affected the production of phosphate. Prospecting

in general was not very active, but the building industry, on the contrary, was very busy, and quarrying of all kinds was in full swing.

Phosphate.—Total production amounted to 87,869 metric tons in 1924 as compared with 25,370 in 1923. The demand was, however, again poor in 1924, owing to market prices remaining low, but exports in 1924 totalled 95,046 metric tons, as against 84,498 in 1923.

Manganese Ore.—The Sinai Mining Company's output in 1924, viz., 150,194 metric tons, broke all previous records and exceeded that of 1923 by 17,810 metric tons. Although the demand remained good during the year, exports fell from 127,030 metric tons in 1923 to 105,580 in 1924.

Petroleum.—18,330 feet of prospecting drilling was accomplished by commercial firms during the year, but no new areas were drilled upon. The Gemsah Oil Reefs have ceased operations, but the Egyptian Central Oilfields still continue drilling, while the Egyptian Oil Syndicate produced 528 metric tons from the Abu Durba area, where they continued shallow drilling.

A new British company was licensed in 1924 to commence drilling operations on Towila Island, in the Red Sea. Meanwhile, the Anglo-Egyptian Oilfields is still carrying out exploratory work on areas other than Hurgada and Gemsah. The last-named company produced in 1924, mainly from the Hurgada field, a total of 162,813 metric tons of crude petroleum, an increase of 9,921 over the year 1923. Additional dehydrating plant was erected and put into operation at Hurgada.

The consumption in Egypt during 1924 of petroleum products handled by this company alone, *i.e.*, not only those refined from Egyptian crude oil, imported crude or imported distillates, but also those imported as finished products, comprised the following quantities (in metric tons) :—

			Local Origin.	Foreign Origin.	Total.
Benzine	..	..	900	11,000	11,900
Kerosene	..	..	3,400	3,000	6,400
Mazout	..	..	111,900	12,400	124,300
Diesel oil	..	..	—	31,138	31,138
Solar oil	..	..	2,400	11,000	13,400

As the refining operations of the Anglo-Egyptian Oilfields are by no means confined to the above activities, but also include considerable exports abroad of petroleum products of both local and foreign origin, it may be of interest to compare therewith the very limited capacity of the Government Refinery at Suez, which was reopened on February 25th, 1925, after operations had been entirely suspended since November, 1923. Its maximum daily capacity is understood to be 60 tons for certain processes, and only 40 tons for all processes, viz., the production of benzine,

kerosene, and mazout. The raw material available is limited to what they receive as royalty from the Anglo-Egyptian Oilfields, amounting to 8,000 metric tons of Egyptian crude oil per annum. As the royalty for 1924 has not yet been touched, the Government will have 16,000 metric tons in all during 1925. Thus, if the Government's operations are limited to 40 tons a day, two years royalty will be more than they can refine in twelve months, whereas if they refine, consistently, up to their maximum daily capacity, 100 days will remain idle. Even their contemplated programme of 1,500 tons a month from April will leave nearly 50 idle days in 1925, and in a normal year would dispose of their whole supply of raw material in less than six months. In these circumstances the Government refinery can only be kept going at an enormous loss, and it is therefore difficult to understand why the Government does not either lease it or sell it to some private company, as they contemplated doing in 1924.

Petroleum Basin at Suez.—In view of the importance, both to the State as a source of revenue and to the country as an economic necessity, of the petroleum industry, the Government would do well to encourage it in every possible way, and in particular by hastening the completion of the oil basin at Suez, which was to have been ready for use by the oil companies by March or April, 1925. As things are, however, the completion of the bunkering berths is still a long way off. Since the German contractors for the new petroleum basin at Suez began operations considerable quantities of machinery and material (including large consignments of cement) have arrived from Germany. The work was held back somewhat as the result of heavy gales in April last, which did considerable damage to the breakwater which had been partly constructed by the former contractors. Silt troubles have also been experienced.

Oil interests requested the Egyptian Government to reconsider the sites of the projected berths, but, apparently, no result has come of their representations, as preparations for the execution of the original plans are being hurried forward.

Work on the berths has not yet begun, and it is understood that, in the event of the bunkering berths being completed first, these will not be available for use until the completion of the rest of the work, owing to the occupation of the intervening ground by the contractor's gear.

Labour.—The calendar year 1924 and the first three months of 1925 constitute an almost unbroken record of strikes in Cairo, Alexandria, and the Canal Zone, which have, on the whole, been more determined and catholic in their application since the abolition on April 1st, 1924, of the Labour Conciliation Board than before. Its place was taken by Conciliation Commissions set up in the capitals of the Governorates and Provinces, and composed of the Governor or Mudir, as the case may be, as president,

a notable of the district, and the employers. In spite of the ubiquitousness of these Conciliation Commissions, as against the limitation of their solitary prototype to headquarters at Alexandria and to temporary transfers to Cairo, the Ministry of the Interior had to issue a circular to them all calling upon them to deal with all labour disputes submitted to them with as little delay as possible. It is, however, only fair to explain that the task of the officials who sat on these Commissions, already rendered more than usually difficult owing to their ignorance of labour questions, was aggravated by the fact that so many of the so-called labour disputes with which they had to deal had no economic *raison d'être*, being either the work of political agitators, or trials of strength with the employers.

An attempt made to unite all labour syndicates in one General Egyptian Workers' Federation began very promisingly, but had to be abandoned owing to disputes between its president and the delegates of the various syndicates, who amongst other things, objected to his proposal that 25 per cent. of their receipts should be at the disposal of the Federation.

IV.—TRANSPORT AND COMMUNICATIONS.

Shipping Competition. (*See Appendix XIV.*)—Speaking generally, during 1924 there has been no fresh feature in the shipping world, and in spite of competition from State-owned and State-subsidized tonnage, the British shipowner continues to hold his own in much of the trade in and out of Alexandria.

I. Trade with the United Kingdom, the Far East and the Dominionions.—The shipment of cotton from Alexandria to England and the import of cotton goods from England is entirely in the hands of British liners, so is practically the whole of the import of machinery and general goods from the United Kingdom. The transport of coal from England, and the shipment to England of cottonseed, oilcake, eggs and onions, is open to competition from ships flying all flags, which naturally has the effect of keeping freights at a low level, and often at a very unprofitable one ; but in spite of this, British tonnage predominates.

Imports of flour from Australia and rice from Burma are usually carried in British bottoms, the bulk of the former ships being owned by the Commonwealth Government.

II. Trade with the United States.—The British shipowner has been almost entirely driven out of this trade, in so far as imports are concerned, by American-owned boats, the losses on which are understood to be high. As regards exports hence to the States, principally cotton, these are carried, roughly speaking, half by British ships, and the other half by Americans, in accordance with the arrangements which exist between the United States Shipping Board and the English liners.

III. Trade with Europe.—Both the French and the Italian Governments subsidize their Mediterranean regular liners very heavily, and the whole of the trade between Egypt and their ports is in their hands. With Germany, nearly all the trade is done by German boats. With Greece and the Near East, a proportion of the traffic is catered for by one British Steamship Company, whose activities are confined to the Levant and the Red Sea, but a large share of it goes to French, Italian and Greek boats. The one French and the three Italian lines trading in the Eastern Mediterranean are able to compete keenly with the British steamship company in question because, although their ships, which are maintained in a high state of efficiency, are understood to run at a heavy loss, they receive considerable subsidies from their respective Governments. Thanks to this factor the first-named Italian lines are also keen competitors in the Red Sea. This, however, is not all, as competition in the Eastern Mediterranean is further increased by the fact that many small boats of Greek, Italian and other nationalities, owing to their condition and the meagre crews with which they are manned, are able to quote freights considerably below those of the British steamship line.

The reiterated rumours that a German line contemplated inaugurating a service of passenger boats between Egypt and Europe have not as yet materialized, but this Company organized occasional calls at Alexandria of liners carrying German tourists during 1924.

Although nothing has yet come of it, the last has by no means yet been heard of the project, first mooted by the Egyptian Parliament during 1924, for the creation of a national mercantile marine (mentioned earlier in this report) under the auspices of the Egyptian Government. The avowed object of this scheme, which has been under serious consideration by the Ministry of Communications, is economy on the annual cost of freight charged by the various European shippers of material and supplies purchased by the Government from abroad.

Local Motor Transport.—As the comparative figures given below will show, the numbers of licensed motor vehicles of all kinds, for both private and commercial use, have increased considerably in just over two years. The principal features of this growing use of motor transport is the increase in light cars, both two and four seaters, and in the number of public motor omnibuses in the Cairo and Alexandria districts. Apropos of the latter, their competition with the railway, resulting from frequent, regular and cheap services plying between outlying towns and the two cities, became so acute during 1924, that it is mentioned as one of the reasons for the reduction of the third-class passenger fares.

(B 41/1620)q

B 4

			Cairo.*		Alexandria.		Canal Zone.	
			Feb., 1923—	May, 1925.	Feb., 1923—	May, 1925.	Feb., 1923—	May, 1925.
Motor cars	..	..	3,163	5,871	1,319	1,790	38	75
„ cabs	..	..	612	3,099	383	640	19	64
„ lorries and vans	..	..	420	951	144	295	14	22
„ buses	..	..	220	793	—	55	13	20
„ cycles	..	..	1,581	2,576	494	880	89	120

* Including a small proportion registered in the provinces.

An interesting innovation in 1924 consisted of experiments by the authorities in Cairo with motor road sweepers and water carts of several makes, with a view to the eventual replacement thereof of the existing animal-drawn equipment.

V.—SOCIAL QUESTIONS.

Cost of Living.—The rise in the prices of foodstuffs, especially bread and meat, at Alexandria, which began in August, 1924, became so acute two months later that a mixed committee of Europeans and Egyptians was set up to consider measures for combating the evil, and the Egyptian Chamber of Commerce took steps to make special arrangements with a large native bakery to sell bread to the public at reduced prices. Drastic action was taken by the authorities at Port Said and Suez in the shape of a provisional ban on exports of certain foodstuffs. Nothing, however, was done in Cairo until February 12th, 1925, when a Royal Decree provisionally prohibited the export of cereals, viz., wheat, maize, millet, and barley, and all flour made therefrom, in consequence of the general rise in the prices of bread and flour which had continued unabated. The cost of the latter, home-grown, increased by nearly 30 per cent. between December and the end of January, owing to the shortage of supplies of wheat flour from all sources. Shortly before the promulgation of this Decree, the Director-General of the Customs had proposed to the Government that the import duty on foreign flour should be temporarily suspended, but this remedy did not meet with Government approval.

Housing.—In spite of the extensive increase in blocks of flats, the problem of suitable accommodation at reasonable prices still remains acute, owing to the fact that buildings erected since 1914 are not subject to the Rent Law.

Drug Traffic.—This became so intense and reached such alarming proportions in 1924, in spite of the Royal Decree of May 8th, 1922, prohibiting import and export of opium, morphine, heroin, cocaine and hashish without the special authorization of the Ministry of the Interior, that a Royal Decree was promulgated on March 21st, 1925, applicable to Europeans through the medium of the Mixed Courts, as well as to Egyptian and local subjects, making the unauthorized traffic in drugs an offence punishable with a fine or imprisonment, and regulating the conditions under

which chemists are allowed to buy and sell them. On the same date another Decree was promulgated modifying Law No. 1 of 1904, governing public establishments with a view to preventing consumption on the premises of hashish, opium, and any of the drugs with which the principal Law deals.

During the first session of the Egyptian Parliament, methods of checking the drug traffic were discussed on two occasions, proposals being made for control by supervision of chemists' shops, for prevention of importation, and for a government monopoly of sale and distribution. These debates took place in April, 1924, but it was not until nearly a year later that legislation materialized.

Prohibition.—Legislative ways and means of enforcing prohibition were discussed during two of the debates of the Chamber of Deputies during 1924, but nothing came of the alternative proposals made, viz., to forbid either the import, or the local manufacture, of alcohol.

APPENDIX I.

ANNUAL TRADE BALANCES DURING YEARS 1922 TO 1924.

	1922.	1923.	1924.
	£E.	£E.	£E.
Exports	48,716,418	58,387,327	65,733,935
Re-exports	2,661,246	1,465,846*	1,470,143
Total	51,377,664	59,853,173*	67,204,078
Imports	43,333,938	45,276,963	50,736,918
Trade balance ..	+ 8,043,726	+14,576,210*	+16,467,160
Total foreign trade..	94,711,602	105,130,136*	117,940,996

* Corrected figures.

NOTE.—The above figures exclude specie.

APPENDIX II.

SUMMARY OF THE VALUE OF IMPORTS INTO EGYPT, CLASSIFIED BY CATEGORIES.

Categories.	1924. £E.	1923. £E.
1. Animals and animal food products ..	1,822,800	1,613,406
2. Hides, skins and leather goods ..	565,010	612,777
3. Other animal products	65,777	58,563
4. Cereals, flour and agricultural produce	4,536,725	4,490,792
5. Colonial produce and general grocery	2,940,826	1,706,817
6. Spirits, beverages and oils	3,271,309	2,899,507
7. Paper and printed matter	910,846	852,328
8. Wood and coal	4,174,094	3,962,381
9. Stone, earthenware and glassware ..	1,454,093	1,222,790
10. Dyestuffs, tanstuffs and colours ..	466,926	425,873
11. Chemical and medicinal products and perfumery	3,411,701	2,508,657
12. Yarns and textiles	17,118,307	16,522,512
13. Metals and metalware	6,741,411	5,357,496
14. Miscellaneous	1,474,974	1,533,200
Total of merchandize imported ..	48,954,799	43,767,099
15. Tobacco	1,782,119	1,509,864
Total of imports	50,736,918	45,276,963

APPENDIX III.

VALUE OF IMPORTS FROM PRINCIPAL COUNTRIES IN 1923 AND 1924.

Country.	1923. £E.	1924. £E.
United Kingdom	14,771,677	13,993,584
Australia and New Zealand	1,361,901	1,642,156
*British India	1,790,923	1,781,785
British Mediterranean Possessions ..	269,714	279,415
British Possessions in Africa	59,026	105,566
*British West Indies	10,035	37,500
Canada	28,250	29,070
Other British Possessions in the Far East..	526,191	666,439
British Empire total	18,817,717	18,535,515
Austria	439,170	503,309
Belgium	1,544,457	1,898,354
Chile	782,986	1,389,609
China	699,024	892,252
Czechoslovakia	488,630	900,678
France	3,825,716	4,688,718
Germany	2,652,720	2,946,739
Greece	999,155	921,825
Holland	434,793	620,602
Italy	4,267,657	5,230,772
Japan	668,568	973,325
Mesopotamia	37,091	87,344
Palestine	663,167	736,871
Roumania	1,026,505	998,758
Russia	537,595	810,318
Sweden	573,725	576,661
Switzerland	573,164	638,299
Syria	793,860	848,048
Turkey	747,020	827,285
U.S.A.	1,702,765	1,798,542
Total, including other countries ..	45,276,963	50,736,918

* Including Aden.

† Chiefly Trinidad.

APPENDIX IV.

FLUCTUATIONS OF PRINCIPAL IMPORTS FROM UNITED KINGDOM IN 1923 AND 1924.

Item.	United Kingdom.		Chief Competitor. (a)	Total for all Countries.		Remarks. (c).
	1923.	1924.		1924.	1924.	
Ammonium sulphate ..	£E. 64,789	£E. 40,899	Unspecified (b)	£E. 69,433	£E. 69,433	Total, 1923. £E.76,014.
Boots and shoes (leather) ..	75,845	59,485	40,468 F.	180,092	180,092	
Carpets and floor rugs ..	75,712	107,928	79,039 P.	273,057	273,057	
Cement ..	26,585	32,554	141,683 Y.	258,094	258,094	
Cigarettes ..	95,931	129,370	Unspecified	132,878	132,878	
Coal ..	1,557,279	1,609,005	13,195 U.	1,627,028	1,627,028	
Coal Tar pitch ..	23,682	30,257	1,680 G.	33,250	33,250	
Coke ..	20,700	40,150	Unspecified	41,581	41,581	See Appendix IX.
Cotton piece goods ..	6,726,009	5,912,636	1,970,227 I.	8,798,665	8,798,665	Total, 1923, £E.26,888.
handkerchiefs ..	29,746	22,865	20,881 I.	67,546	67,546	" " £E.20,700.
hosiery ..	20,128	8,661	233,970 G.	713,067	713,067	See Appendices V. and VII.
mosquito net ..	139,589	129,885	11,413 F.	145,669	145,669	See Appendix VII.
yarn ..	119,517	54,024	243,738 B.I.	499,119	499,119	See Appendix VII.
Fuel, patent ..	37,677	60,882	Unspecified	71,827	71,827	Total, 1923, £E.38,048.
Gramophones ..	9,484	14,640	25,123 G.	48,157	48,157	" " £E.40,796.
Iron and steel axles, wheels, etc. ..	64,501	27,523	12,722 G.	60,655	60,655	See Appendix VIII.
Iron and steel bedsteads ..	126,628	160,219	28,197 G.	212,863	212,863	" " "
Iron or steel manufactures—						
Hoops and strips ..	92,260	127,632	6,146 B.	140,219	140,219	" " "
Rails and sleepers ..	40,230	106,129	33,465 B.	153,627	153,627	" " "
Rivets, bolts, etc. ..	21,675	12,688	10,253 B.	37,483	37,483	" " "
Sheets and plates ..	24,620	14,057	55,656 B.	87,722	87,722	" " "
Sheets (galvanized) ..	16,989	24,951	22,205 B.	54,821	54,821	" " "
Linsed oil ..	59,708	72,453	11,342 H.	85,072	85,072	Total, 1923, £E.68,128.

APPENDIX V. (a)

VALUE OF COTTON PIECE GOODS IMPORTED IN 1923 AND 1924 DUTIABLE ON BASIS OF WEIGHT PER SQUARE METRE.

From	Year.	Grey.	Bleached.	Printed.	Dyed in the Yarn.	Dyed in the Piece.	Total.
United Kingdom	1924 1923	£E. 645,322 823,827	£E. 1,752,080 1,672,409	£E. 1,566,958 1,646,899	£E. 333,103 699,024	£E. 1,272,932 1,624,617	£E. 5,570,395 6,466,776
Belgium	1924 1923	(a) 769	1,823 2,801	3,350 5,407	101,849 149,136	16,411 15,110	123,433 173,223
France	1924 1923	835 891	2,028 3,760	78,305 62,523	8,980 8,981	12,891 6,539	103,039 82,694
Italy	1924 1923	10,489 4,010	54,373 32,026	263,496 235,964	782,252 886,084	501,608 313,457	1,612,218 1,471,541
Japan	1924 1923	264,299 108,809	29 87	91 141	247 179	156 1,294	264,822 110,510
U.S.A.	1924 1923	(a) 2,264	65 23	9,179 548	649 1,501	8,126 14,211	18,019 18,547
Total (including other countries)	1924 1923	924,824 943,890	1,814,516 1,717,636	1,940,117 1,970,267	1,291,825 1,848,401	1,825,450 1,991,109	7,796,732 8,471,303

NOTE.—See Appendix VII for "Cotton piece goods unenumerated."

(a) Not separately distinguished.

APPENDIX V. (b)

QUANTITY OF COTTON PIECE GOODS IMPORTED IN 1923 AND 1924 DUTIABLE ON BASIS OF WEIGHT PER SQUARE METRE.

From	Year.	Grey.	Bleached.	Printed.	Dyed in the Yarn.	Dyed in the Piece.	Total.
		Square Metres.	Square Metres.	Square Metres.	Square Metres.	Square Metres.	Square Metres.
United Kingdom	1924 1923	33,308,913 41,640,305	57,087,046 56,140,214	32,102,277 34,681,996	6,872,528 14,099,135	24,143,562 32,013,000	153,514,326 178,574,650
Belgium	1924 1923	(a) 23,243	44,523 71,044	59,323 104,119	1,874,808 2,711,707	262,262 237,562	2,240,916 3,147,675
France	1924 1923	16,612 17,243	55,688 99,404	1,379,374 1,111,074	192,949 203,471	264,549 140,216	1,909,272 1,571,408
Italy	1924 1923	354,941 153,143	1,273,520 775,968	5,240,014 4,674,434	14,639,379 16,094,385	8,472,349 5,139,955	29,980,203 26,837,885
Japan	1924 1923	7,871,638 3,559,217	757 3,039	2,036 3,245	5,669 4,370	3,147 26,082	7,883,247 3,595,953
U.S.A.	1924 1923	(a) 61,669	1,428 841	135,347 9,665	10,718 31,778	213,828 403,049	361,321 507,002
Total (including other countries)	1924 1923	41,654,630 45,555,307	58,586,253 57,308,287	39,233,865 40,906,020	24,842,155 35,118,105	33,654,906 38,276,919	197,971,809 217,164,638

NOTE.—See Appendix VII for "cotton piece goods unenumerated."

(a) Not separately distinguished.

APPENDIX VI.

PRINCIPAL IMPORTS OF WOOLLEN TEXTILES IN 1923 AND 1924, BY COUNTRIES OF ORIGIN.

Item.	Year.	United Kingdom.	France.	Italy.	Chief Other Country.	Total from all Countries.
Blankets and coverlets, woollen ..	1924 1923	£E. 23,804 20,761	£E. 9,069 5,685	£E. 6,227 2,974	£E. 57,494 49,316 Tunis	£E. 115,706 88,438
Cloths, woollen and worsted ..	1924 1923	430,503 582,872	197,949 154,398	176,405 108,094	56,368 39,486 Czechoslovakia	1,028,418 1,044,314
Clothing, woollen, ready-made ..	1924 1923	33,390 51,577	76,841 72,328	11,769 12,065	19,440 13,308 "	160,366 171,115
Hosiery, woollen	1924 1923	87,024 91,091	32,016 13,092	25,279 22,968	14,686 16,403 Germany	168,704 151,056
Mixed woollens and worsteds ..	1924 1923	112,042 110,918	69,843 25,294	47,724 18,803	10,060 3,945 "	263,160 168,885
Shawls, woollen	1924 1923	6,408 11,565	7,313 7,021	49,950 21,952	31,209 54,407 "	107,242 105,192
Yarn, woollen	1924 1923	66,357 65,155	5,997 5,860	— —	833 1,039 "	74,161 73,285

APPENDIX VII.

IMPORTS IN 1923 AND 1924 OF COTTON HOSIERY, COTTON YARN AND COTTON PIECE GOODS (UNENUMERATED).

From	Cotton Hosiery.		Cotton Yarn.*		Cotton Piece Goods.†	
	1923.	1924.	1923.	1924.	1923.	1924.
United Kingdom ..	£E. 20,128	£E. 8,661	£E. 119,517	£E. 54,024	£E. 259,233	£E. 342,241
Austria ..	3,180	14,957	1	(a)	2,072	7,609
Belgium ..	237	424	8	(a)	88,320	179,809
British India ..	31	(a)	261,544	243,738	644	248
China ..	9	(a)	3,534	12,219	2	(a)
France ..	35,197	57,786	162	410	25,621	41,334
Germany ..	196,288	233,970	—	—	16,993	14,434
Holland..	12,588	35,744	—	—	927	286
Italy ..	37,625	74,749	—	—	204,604	358,009
Japan ..	198,937	190,790	116,851	142,685	143	65
Spain ..	59,198	63,163	16,185	43,634	4	(a)
Switzerland ..	6,198	11,353	—	(a)	10,374	49,190
U.S.A. ..	7,559	13,459	—	(a)	4,851	4,015
Total (including other countries) ..	579,614	713,067	517,824	499,119	615,569	1,001,933

* Grey, bleached and dyed.

† Including remnants and fents as well as piece goods not separately enumerated in the Customs statistics.

(a) Not separately distinguished.

APPENDIX VIII.

PRINCIPAL IMPORTS OF IRON AND STEEL GOODS IN 1923 AND 1924, BY COUNTRIES OF ORIGIN,

Item.	Year.	United Kingdom.	Belgium.	France.	Germany.	Total from all Countries.
Angles and tees	1924 1923	£E. 4,621 4,171	£E. 6,251 7,193	£E. — —	£E. 612 607	£E. 12,428 12,554
Axles, wheels and springs	1924 1923	27,523 64,501	7,313 3,095	4,018 3,118	12,722 6,826	60,655 78,206
Bars and billets	1924 1923	12,014 18,882	250,088 194,487	8,504 9,563	20,991 16,385	292,613 240,218
Bedsteads and parts (including brass)	1924 1923	160,219 126,628	41 185	6,224 2,162	28,197 36,086	212,863(a) 199,971
Cables, chains, anchors and grapnels	1924 1923	3,508 4,212	434 58	9,152 8,281	316 585	13,452 13,203
Galvanized sheets	1924 1923	24,951 16,989	22,205 6,191	2,347 —	4,309 1,987	54,821 32,304
Girders and joists	1924 1923	818 1,437	106,449 73,526	6,977 18,578	2,137 2,012	116,427 95,553
Hoops and strips	1924 1923	127,632 92,260	6,146 4,661	— —	6,135 7,394	140,219 117,659

Pipes and fittings (wrought)	..	1924 1923	74,189 76,135	23,978 10,163	24,614 5,295	79,996 36,847	228,433 (b) 156,526
Rails and fittings (including sleepers) ..	..	1924 1923	106,129 40,230	33,465 7,295	4,219 3,531	9,814 10,734	153,627 61,947
Rivets, bolts, nuts and washers ..	..	1924 1923	12,688 21,675	10,253 16,287	6,115 7,624	5,704 4,640	37,483 51,709
Sheets and plates (not galvanised)	..	1924 1923	14,057 24,620	55,656 46,820	5,375 3,722	10,456 14,819	87,722 97,061
Wire ..	..	1924 1923	8,166 6,481	4,390 4,650	2,016 2,108	7,305 3,289	22,611 17,274
Wire rope ..	..	1924 1923	10,840 9,174	499 574	326 111	3,389 2,432	15,782 12,943
Constructional iron and steel ..	..	1924 1923	24,635 25,136	40,095 20,737	7,320 10,763	2,999 3,202	94,452 (c) 61,146

(a) Including Austria, £E.9,158 in 1923 and £E.11,077 in 1924; U.S.A., £E.24,497 in 1923 and £E.5,393 in 1924.
 (b) Including Holland, £E.2,718 in 1923 and £E.6,874 in 1924; U.S.A., £E.18,617 in 1923 and £E.14,245 in 1924.
 (c) Including Italy, £E.369 in 1923 and £E.2,779 in 1924; U.S.A., £E.939 in 1923 and £E.6,160 in 1924.

APPENDIX IX.

IMPORTS OF COAL, TEA AND WHEAT FLOUR IN 1923 AND 1924.

From	1923.		1924.	
<i>Coal.</i>	Tons.	£E.	Tons.	£E.
United Kingdom ..	884,052	1,557,279	952,832	1,609,005
U.S.A.	1,100	3,300	7,234	13,195
Other countries ..	3,054	4,647	2,731	4,828
Total	888,206	1,565,226	962,797	1,627,028
<i>Tea.</i>	Kgs.	£E.	Kgs.	£E.
United Kingdom ..	132,106	22,527	87,594	18,298
*British India ..	2,365,657	268,401	2,661,124	317,712
China	493,682	43,559	972,782	74,624
Other countries ..	45,735	4,886	19,081	2,625
Total	3,037,180	339,373	3,740,581	413,259
<i>Wheat flour.</i>	Kgs.	£E.	Kgs.	£E.
United Kingdom ..	8,289,010	111,707	5,277,718	76,203
Australia and New Zealand	91,750,288	1,234,965	103,772,381	1,463,764
British India ..	9,024,597	120,075	9,728,763	142,606
Canada	1,654,480	25,257	1,430,498	20,646
France	12,645,109	159,697	10,021,784	129,584
Italy	2,697,165	29,801	4,288,455	52,449
Roumania	102,133	1,481	1,808,818	31,409
U.S.A.	30,418,514	426,598	25,681,568	386,945
Total including other countries ..	156,655,644	2,110,730	162,061,772	2,305,651

*Including Ceylon. | 1,621,324 | 186,803 | 1,870,379 | 223,782

APPENDIX X.

IMPORTS OF BENZINE, KEROSENE AND MAZOUT.

	1923.		1924.	
	Met. Tons.	£E.	Met. Tons.	£E.
<i>Benzine.</i>				
*Delivered from Suez Refinery	6,928	105,440	11,049	135,487
Imported direct from—				
Roumania	4,225	69,633	7,942	97,479
U.S.A.	2,069	26,576	1,798	20,209
Other countries ..	2	39	—	—
Total	13,224	201,688	20,789	253,175
Additional total by cases—	Cases.		Cases.	
All countries	11,348	7,028	12,227	6,526
<i>Kerosene.</i>				
*Delivered from Suez Refinery	2,407	11,901	3,005	14,747
Imported direct from—				
Roumania	45,374	225,230	47,122	242,679
Russia	73,766	367,505	113,316	585,250
U.S.A.	41,451	242,268	27,837	182,074
Total	162,998	846,904	191,280	1,024,750
Additional total by cases—	Cases.		Cases.	
All countries	110,809	29,508	38,859	10,519
<i>Mazout (Oil Fuel).</i>				
*Delivered from Suez Refinery	51,106	191,432	43,591	151,925
Imported direct from—				
Mexico	15,159	49,071	21,111	71,356
Persia	30,529	97,782	35,908	125,563
U.S.A.	1,698	5,381	6,658	23,786
Other countries ..	21,343	67,429	588	1,983
Total	119,835	411,095	107,856	374,613
<i>Solar Oil.</i>				
Total	8,751	48,491	10,988	49,349
<i>Mineral Lubricating Oils and Greases.</i>				
Total imports	9,914	179,590	11,805	232,542

* Obtained from crude petroleum imported by the Suez Refinery from abroad.

APPENDIX XI.

VALUE OF EXPORTS, CLASSIFIED BY CATEGORIES IN 1923 AND 1924.

Category.	Summary.	1924	1923
		£E.	£E.
1. Animals and animal food products ..		618,847	524,629
2. Hides, skins and leather goods ..		307,982	252,077
3. Other animal products		85,791	50,003
4. Cereals, flour, and agricultural produce		5,760,758	5,018,747
5. Colonial produce and general grocery		543,205	1,070,146
6. Spirits, beverages and oils		479,116	621,563
7. Paper and printed matter		70,956	62,180
8. Wood and coal		25,188	30,482
9. Stone, earthenware and glassware ..		5,144	7,141
10. Dyestuffs, tanstuffs and colours ..		26,483	47,525
11. Chemical and medicinal products and N perfumery		216,892	164,471
12. Yarns and textiles*		56,864,736	49,763,063
13. Metals and metalware		333,934	342,985
14. Miscellaneous		62,862	65,367
Total of merchandize exported		65,401,894	58,020,379
15. Cigarettes		332,041	366,948
Total of exports		65,733,935	58,387,327

* Mostly raw cotton.

APPENDIX XII.

EXPORTS OF RAW COTTON DURING THE CALENDAR YEARS 1923 AND 1924.

Destination.	1924.		1923.	
	Cantars.	£E.	Cantars.	£E.
United Kingdom ..	3,469,105	27,043,072	3,446,969	23,070,222
Czechoslovakia ..	141,845	1,116,999	111,544	738,361
France	1,051,139	8,249,256	978,065	6,468,844
Germany	390,848	3,041,718	308,218	1,958,481
Italy	475,381	3,737,618	518,481	3,369,594
Japan	192,385	1,477,941	286,739	1,921,057
Spain	179,581	1,410,810	234,815	1,515,356
Switzerland	295,578	2,278,767	280,789	1,847,826
United States of America	896,879	6,950,018	1,078,964	7,112,537
Total (including other countries)	7,253,908	56,554,499	7,472,611	49,516,369
Average price per cantar	\$38.98	—	\$33.13	—

APPENDIX XIII.

VALUE OF EXPORTS TO PRINCIPAL COUNTRIES, 1923 AND 1924.

Country.	1923. £E.	1924. £E.
United Kingdom	28,354,293	31,955,625
Australia and New Zealand ..	3,095	39,961
British India*	189,679	216,315
British Mediterranean Possessions	59,186	55,015
British Possessions in Africa ..	13,806	11,789
Canada	16,169	8,154
Other British Possessions in the Far East	41,215	46,795
British Empire Total	28,677,443	32,373,654
Austria	215,418	204,554
Belgium	526,155	284,890
Czechoslovakia	740,973	1,119,004
France	6,686,681	8,614,073
Germany	2,490,549	3,971,656
Greece	173,332	404,928
Holland	260,310	433,294
Italy	3,649,456	4,069,082
Japan	1,957,333	1,509,480
Mesopotamia	171,484	194,804
Palestine	461,039	376,491
Russia	126,923	75,473
Spain	1,543,388	1,481,312
Switzerland	1,862,018	2,299,474
Syria	303,352	332,702
Turkey	225,510	142,183
U.S.A.	7,246,787	7,085,911
Total (including other countries)	58,387,327	65,733,935

* Including Aden.

APPENDIX XIV.

SHIPPING.

TOTAL ARRIVALS AT AND DEPARTURES FROM ALL EGYPTIAN PORTS DURING THE YEAR 1924, AND CARGO AND PASSENGERS EMBARKED AND DISEMBARKED.

Nationality of Vessels.	Arrivals.				Departures.			
	No. of Vessels.	Net Registered Tonnage.	Tons of Cargo Landed.	Passengers Landed.	No. of Vessels.	Net Registered Tonnage.	Tons of cargo Shipped.	Passengers Embarked.
Egyptian ..	173	79,315	41,412	1,817	176	85,238	33,694	1,562
British ..	1,227	2,334,188	1,851,723	27,079	1,255	2,380,994	802,460	26,282
American ..	77	313,019	66,894	103	75	309,745	38,527	273
Belgian ..	44	83,480	103,009	48	42	81,719	28,065	6
Dutch ..	70	175,856	164,867	79	71	178,903	55,229	51
French ..	217	868,005	88,287	11,970	208	839,956	65,875	12,302
German ..	154	219,589	210,053	417	151	213,683	127,124	394
Greek ..	277	246,232	252,702	6,835	275	253,558	129,069	6,811
Italian ..	614	1,306,351	468,129	25,670	610	1,319,129	212,246	28,568
Norwegian ..	21	43,619	56,393	18	22	45,946	7,191	2
Others ..	142	259,478	265,575	979	152	279,030	44,346	1,029
Total ..	3,016	5,929,132	3,569,044	75,015	3,037	5,987,901	1,543,826	77,280

APPENDIX XV.

Summary Note on Customs Duty and Dues.

IMPORTS.

I.—IMPORT DUTY.

A.—General Merchandise.

Eight per cent. *ad valorem** with the following exceptions :—

- (1) 4 per cent. *ad valorem* on firewood and kerosene.
- (2) 10 per cent. *ad valorem* on timber and refined sugar.†
- (3) 15 per cent. *ad valorem* on benzine and mineral lubricating oils.

B.—Alcohol and Alcoholic Liquors pay a specific duty as follows :—

(1) Two hundred mills. per litre of absolute alcohol contained in the liquid over and above the general import duty (8 per cent. *ad valorem*) which is collected on the value of the rest after deducting the price of absolute alcohol therein contained.

(2) Two mills. per kilogram on denatured alcohol, provided the denaturation is in accordance with the regulations laid down by the Customs Administration.

N.B.—(1) Wines containing more than 23 per cent. of alcohol by volume are liable to the specific duty laid down in (1) above. Those containing not more than 23 per cent. of alcohol by volume, as well as all liquids containing not more than 2 per cent. of alcohol by volume, and beer, only pay the general import duty, viz., 8 per cent. *ad valorem*.

(2) No refund is granted on alcohol and alcoholic liquors when re-exported.

C.—Tobacco pays a specific duty per kilogram, as follows :—

	General Tariff. L.E. M.	Special* Tariff. L.E. M.
(a) Leaf tobacco	— 820	— 800
(b) Leaf tobacco stripped of its petiole or midrib	— 920	— 900
(c) Manufactured tobacco such as cut and pressed tobacco, snuff and cigarettes	1 020	1 000
(d) Cigars of all kinds and from all sources	L.E. 1,000	

II.—CONSUMPTION DUTY.

A consumption duty of 2 per cent. *ad valorem* is imposed on the following articles ; in addition to the import duty :—

* *Ad valorem* for imports means the value of the article in the country where it was purchased at the date of its clearance for consumption in Egypt, plus all freights, insurance, packing, etc., to the Egyptian port of landing. The values of certain articles are by agreement between the Customs Administration and importers, fixed for a period not exceeding one year, and the *ad valorem* duty is collected on these values, which are regularly published in the *Journal Officiel*.

† In which the degree of polarization exceeds 99 deg.

* The special tariff for tobacco is only applied to tobacco accompanied by a certificate of origin from countries which have concluded commercial agreements with Egypt.

(1) *Liquids.*

Beer, cider, castor oil, turpentine, mineral lubricating oils, colza oil, hydrochloric acid, nitric acid, sulphuric acid and ammonia.

(2) *Foodstuffs.*

Cocoanut oil, preserved meat and fish (tinned and potted), condensed milk, gelatine, dried figs, dried plums, dried apricots and apricot paste (Qamar el din), walnuts, hazelnuts, almonds, coconuts, chestnuts, locust beans, pistachio nuts, tea, coffee, cocoa, pepper, cinnamon and cloves.

(3) *Building materials.*

Sheet-zinc, sheet-lead, lead piping, bitumized or tarred felt or paper, marble, window and plate glass, pitch, asphalt, steel and iron angles and bars, iron and steel girders, iron and steel plates and sheets, steel and iron tubes, iron and steel galvanized sheets and cast-iron pipes.

III.—GOODS NOT SUBJECT TO IMPORT DUTY.

Samples of wine, books and printed matter of all kinds,* gold ingots and bars as well as gold sheets and wire, the cost of manufacture of which does not exceed 1 per cent. of the value of pure gold,† silver ingots and bars as well as silver sheet and wire the cost of manufacture of which does not exceed 5 per cent. of the value of pure silver, gold coins of legal tender in their respective countries.†

IV.—QUAY DUES.

(1) *General merchandise.*

4½ per mille *ad valorem* in Alexandria and Suez.

7 per mille *ad valorem* in Port Said.

(2) *Tobacco.*

1 millieme per kilogram in Alexandria and Suez.

1½ milliemmes per kilogram in Port Said.

V.—PAVING DUES.

(1) *General Merchandise.*

½ per mille *ad valorem* in Alexandria.

½ per mille *ad valorem* in Port Said (optional).

2 per mille *ad valorem* in Damietta.

(2) *Tobacco.*

½ millieme per kilogram in Alexandria.

½ millieme per kilogram in Port Said (optional).

2 per mille *ad valorem* Damietta.

VI.—IMPORT PROHIBITED GOODS.

Military arms and ammunition; explosives; hashish; adulterated tobacco; Sudanese tobacco; tobacco seed; seed of *cannabis indica* (hashish); foreign coins of silver, nickel, bronze or brass of legal tender in their respective countries; obscene pictures, printed matter, etc.; cotton and cotton seed; vine leaves; live insects; bacteria and fungi injurious to plants; lime and other glucous substances employed for catching birds; shaving brushes of Japanese origin.

VII.—GOODS OF WHICH THE IMPORTATION IS SUBJECT TO SPECIAL CONDITIONS.

Arms and ammunition other than military; fireworks; poisons; stupefying drugs; shaving brushes; gold and silver objects; live plants; silk worms and bees; fresh fruits; chemical manures; cotton piece goods.

* Also not subject to export duty.

† Also not subject to export duty nor quay or paving dues on importation or exportation.

EXPORTS.

I.—EXPORT DUTY.

1 per cent. *ad valorem** on all products of the soil or industry of Egypt.

II.—EXPORT QUAY DUES AT ALEXANDRIA, PORT SAID AND SUEZ.

(a) *General Merchandise.*

12 per mille *ad valorem*.

(b) *Tobacco.*

3 milliemes per kilogram.

III.—PAVING DUES.

Same rates as on imports.

IV.—GOODS THE EXPORTATION OF WHICH IS SUBJECT TO SPECIAL CONDITIONS.

Stupefying drugs ; gold coins and gold articles ; organic manures ; animals ; antiquities ; fossil bones.

RE-EXPORTS.

I.—DUTY REFUNDED.

A.—*General Merchandise.*

(1) With some few exceptions foreign merchandise re-exported within six months after being cleared for consumption in Egypt is entitled to a refund of the difference between the import and export duty, subject to the conditions laid down in the Customs Regulations.

(2) Certain articles manufactured in Egypt from foreign imported materials benefit by a fixed drawback subject to Customs control. This drawback is a mere favour which may be withdrawn at any moment. Articles on which drawback is paid are not exempt from export duty, quay and paving dues, except as in the following paragraph.

B.—*Tobacco.*

A drawback of 600 milliemes is granted on each kilogram of tobacco re-exported from Egypt in the form of cigarettes or cut tobacco. No export duty is collected on manufactured tobacco and cigarettes re-exported.

II.—RE-EXPORT QUAY DUES.

Same rates as exports.

III.—RE-EXPORT PAVING DUES.

Same rates as exports.

TRANSIT.

I.—*Transit Duty.*

1 per cent. *ad valorem* on coal in transit.

II.—*Transit Quay and Paving Dues.*

Same rates as on exports. These dues are collected on the following goods :—

* For exports, *ad valorem* means the value on the quay at the port of shipment. The values of certain articles are, by agreement between the Customs Administration and exporters, fixed for a period not exceeding one year, and the *ad valorem* duty is collected on these values, which are regularly published in the *Journal Officiel*.

(1) Goods arriving by sea and leaving by sea, after transiting the country by rail (with the exception of goods arriving on a through Bill of Lading from or for a Sudan port).

(2) Goods manifested for Egypt and reshipped by sea.

N.B.—All other transit goods are exempt from transit quay and paving dues.

EXCISE DUTIES.

1. *Cotton*.—The tax on ginned cotton is P. 25 per cantar.

2. *Petroleum*.—Products derived from Egyptian crude oil are subject to the following Excise duties :—

Benzine and lubricating oils, 11 per cent. *ad valorem*.

Mazout (fuel oil) and all other products except kerosene, 4 per cent. *ad valorem*.

Oil burnt in the refinery is also liable to Excise duty.

3. *Alcohol*.—Whether industrial or other, and all spirits, liqueurs and alcoholic beverages, distilled locally, are subject to an Excise duty of 195 milliemmes per litre of absolute alcohol contained therein.

4. The same liquids, foodstuffs and building materials as those to which consumption dues (*see above*) apply are subject, if locally produced, to an Excise duty of 2 per cent. *ad valorem*, with the exception of mineral lubricating oil, which is already provided for under petroleum products of Egyptian origin.

The Excise duty of 2 per cent. *ad valorem* on sugar refined in Egypt is refunded on export of same, subject to certain formalities which take some time to accomplish.

APPENDIX XVI.

QUOTATIONS OF EGYPTIAN SECURITIES, END OF MAY, 1924, AND END OF MAY, 1925.

	May, 1924.	May, 1925.
Agricultural Bank of Egypt Ordinary Shares	£7·3/64	£7·7/8
Alexandria Water Company Ordinary ..	£12·3/8	£13
Cassa di Sconto e di Risparmio	114½ Fr.	128½ Fr.
Crédit Foncier Egyptien Shares	796½ Fr.	909 Fr.
Egyptian Bonded Warehouses—Ordinary ..	£11·15/16	£12·1/16
Egyptian Markets, Ltd.	24s. 6d.	27s.
Egyptian Salt & Soda Co., Ltd.	19s.	19s. 9d.
Egyptian Government 3½ Per Cent. Privileged	£64·7/16	£70½
Egyptian Government 4 Per Cent. Unified ..	£74½	£81
Filature Nationale d'Egypte	£6·1/8	£5½
Grands Hotels d'Egypte, shares	£11·11/16	£18
Land Bank of Egypt, Ordinary	£11 3/16	£13·23/32
National Bank of Egypt	£24·3/16	£30·25/32
New Egyptian Co., Ltd.	24s. 6d.	36s. 9d.
Port Said Salt Association	57s. 10½d.	83s. 9d.
Société Anonyme du Behera, ordinary ..	£9½	£13
Aboukir Co., Ltd.	18s. 3d.	19s. 10½d.
Sté. Gén. des Sucreries et Raffineries d'Egypte—		
Ordinary	320 Fr.	340 Fr.
Privileged	88½ Fr.	104 Fr.
Sté. Gén. de Pressage et de Dépôts, shares ..	£20·19/32	£19
Union Foncière d'Egypte	£2·13/32	£3·13/32

REPORTS by H.M. Trade Commissioners, Commercial, Diplomatic, and Consular Officers on commercial and financial conditions in the following countries issued, or in course of preparation, by the Department of Overseas Trade:—

(All prices are net, and those in parentheses include postage.)

A.—During the year 1924.

Algeria, Tunisia and Tripolitania ...	2s. 6d. (2s. 8d.)	Japan ...	2s. 6d. (2s. 7d.)
Argentina (for 1923)...	2s. 0d. (2s. 1d.)	Lithuania ...	1s. 0d. (1s. 0½d.)
Argentina (for 1924)...	2s. 0d. (2s. 1d.)	Mexico ...	1s. 0d. (1s. 1d.)
Austria ...	1s. 6d. (1s. 7d.)	Morocco ...	2s. 0d. (2s. 1d.)
Belgium ...	3s. 0d. (3s. 1d.)	Netherlands ...	2s. 0d. (2s. 1d.)
Belgian Congo ...	1s. 6d. (1s. 7d.)	Netherlands East Indies	2s. 6d. (2s. 7d.)
Brazil ...	3s. 0d. (3s. 1½d.)	Norway ...	2s. 0d. (2s. 1d.)
Bulgaria ...	9d. (10d.)	Panama ...	1s. 0d. (1s. 1d.)
China ...	1s. 6d. (1s. 7d.)	Poland ...	1s. 6d. (1s. 7d.)
Colombia ...	1s. 0d. (1s. 1d.)	Portugal ...	1s. 6d. (1s. 7d.)
Czecho-Slovakia ...	1s. 6d. (1s. 7d.)	Roumania ...	2s. 0d. (2s. 1d.)
Denmark ...	2s. 0d. (2s. 1d.)	Serb-Croat-Slovene Kingdom	2s. 0d. (2s. 1d.)
Dominican Republic and Hayti ...	1s. 6d. (1s. 7d.)	Siam ...	1s. 6d. (1s. 7d.)
East Africa (for 1923)	1s. 6d. (1s. 7d.)	South Africa ...	1s. 6d. (1s. 7d.)
East Africa (for 1924)	1s. 6d. (1s. 7d.)	Spain ...	2s. 6d. (2s. 8d.)
Egypt ...	1s. 6d. (1s. 7d.)	Sweden ...	1s. 6d. (1s. 7d.)
Finland ...	2s. 0d. (2s. 1d.)	Switzerland ...	2s. 6d. (2s. 7d.)
France ...	6s. 0d. (6s. 3d.)	Turkey ...	1s. 6d. (1s. 7d.)
Germany ...	5s. 0d. (5s. 2d.)	United States of America	3s. 6d. (3s. 8d.)
Hungary ...	1s. 6d. (1s. 7d.)	Uruguay (for 1923) ...	1s. 0d. (1s. 0½d.)
India ...	3s. 0d. (3s. 4d.)	Uruguay (for 1924) ...	9d. (9½d.)
Italy ...	2s. 6d. (2s. 7d.)		

B.—During the year 1925.

Austria ...	(In preparation.)	Hungary ...	(In preparation.)
Belgium ...	3s. 6d. (3s. 8d.)	Italy ...	4s. 0d. (4s. 3d.)
Brazil ...	2s. 6d. (2s. 7d.)	Latvia ...	9d. (9½d.)
British West Indies ...	1s. 6d. (1s. 7d.)	Netherlands ...	(In preparation.)
Chile ...	3s. 0d. (3s. 1½d.)	New Zealand ...	2s. 0d. (2s. 1d.)
Colombia ...	(In preparation.)	Norway ...	2s. 0d. (2s. 1d.)
Czecho-Slovakia ...	1s. 6d. (1s. 7d.)	Persia ...	(In preparation.)
Denmark ...	1s. 6d. (1s. 7d.)	Poland ...	1s. 6d. (1s. 7d.)
Dominican Republic and Hayti ...	2s. 0d. (2s. 1d.)	Siam ...	1s. 6d. (1s. 7d.)
Egypt ...	(See cover.)	Spain ...	2s. 6d. (2s. 7d.)
Estonia ...	(In preparation.)	Sweden ...	1s. 6d. (1s. 7d.)
Finland ...	2s. 0d. (2s. 1d.)	Switzerland ...	2s. 0d. (2s. 1d.)
France ...	(In preparation.)	Syria ...	(In preparation.)
Germany ...	(In preparation.)	Turkey ...	(In preparation.)
Greece ...	(In preparation.)	Jugo-Slavia ...	1s. 6d. (1s. 7d.)

(The above publications can be obtained from the addresses given on the title-page of this Report.)